

**FIFTH AMENDED AND RESTATED
LIMITED LIABILITY COMPANY OPERATING AGREEMENT

OF

CAMP PENDLETON & QUANTICO HOUSING, LLC**

(b) (4)

"Housing privatization project financial documents and agreements define the business relationships between the partners and, as such, contain proprietary or business sensitive information. As a general matter, project financial documents and agreements are not available under the Freedom of Information Act and are shared only with Government employees who have a 'need to know.' They should not be duplicated for distribution. Further, the Department of the Navy does not own the business documents; they belong to the partnership. Permission from the Managing Member/General Partner is required to make them available to any party."

THIS FIFTH AMENDED AND RESTATED LIMITED LIABILITY COMPANY OPERATING AGREEMENT AND ALL ATTACHED DOCUMENTS ARE FURNISHED TO YOU ON A CONFIDENTIAL BASIS SOLELY FOR THE PURPOSES OF EVALUATING THE INVESTMENT IN CAMP PENDLETON & QUANTICO HOUSING, LLC MILITARY HOUSING REVENUE OBLIGATIONS. THE INFORMATION CONTAINED IN THIS FIFTH AMENDED AND RESTATED LIMITED LIABILITY COMPANY OPERATING AGREEMENT AND THE DOCUMENTS RELATED HERETO MAY NOT BE REPRODUCED OR USED IN WHOLE OR IN PART FOR ANY OTHER PURPOSE OR MADE AVAILABLE TO ANY OTHER PERSON NOT DIRECTLY CONCERNED WITH THE DECISION REGARDING SUCH INVESTMENT.

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**FIFTH AMENDED AND RESTATED
LIMITED LIABILITY COMPANY OPERATING AGREEMENT
OF
CAMP PENDLETON & QUANTICO HOUSING, LLC**

THIS FIFTH AMENDED AND RESTATED LIMITED LIABILITY COMPANY OPERATING AGREEMENT (this “**Agreement**”) of Camp Pendleton & Quantico Housing, LLC (the “**Company**”) is dated as of December 31, 2015 and effective for all purposes as of December 31, 2015 (the “**Effective Date**”), by and between (b) (4), (b) (4), as the managing member (the “**Managing Member**”), (b) (4), (b) (4), and The United States of America, Department of the Navy, as a member (the “**United States Member**”), whose address is Southwest Division, Naval Facilities Engineering Command, 1220 Pacific Highway, San Diego, CA 92132. The Managing Member’s sole members are (b) (4), (b) (4). The term “**Member**” shall mean each of the Managing Member and the United States Member. Capitalized terms used herein and not otherwise defined shall have the meaning set forth in Article 12 below.

This Agreement amends and restates, in full, as of the Effective Date, that certain Fourth Amended and Restated Limited Liability Company Operating Agreement dated as of January 15, 2010 (the “**Phase VI Agreement**”), as amended by that certain Letter Agreement regarding the Coleville Utility Upgrade dated as of January 15, 2010 (the “**2010 Side Letter**”), as amended by that certain First Amendment to Fourth Amended and Restated Limited Liability Company Operating Agreement of Camp Pendleton & Quantico Housing, LLC dated as of April 1, 2010 (the “**First Amendment**”), as amended by that certain Letter Agreement Regarding Potential Liquidated Damages Arising from the Coleville Utility Design/Build Agreement and Consent to Coleville Utility Design/Build Agreement dated as of May 10, 2010 (the “**Coleville LD Letter**”), as further amended by that certain Second Amendment to Fourth Amended and Restated Limited Liability Company Operating Agreement of Camp Pendleton & Quantico Housing, LLC dated as of September 20, 2010, and effective for all purposes as of September 30, 2010 (the “**Second Amendment**”), as amended by that certain Letter Agreement regarding the Coleville Utility Upgrade dated as of March 5, 2011 (the “**2011 Side Letter**”), as further amended by that certain Third Amendment to Fourth Amended and Restated Limited Liability Company Operating Agreement of Camp Pendleton & Quantico Housing, LLC dated as of June 8, 2011 (the “**Third Amendment**”), as further amended by that certain Fourth Amendment to Fourth Amended and Restated Limited Liability Company Operating Agreement of Camp Pendleton & Quantico Housing, LLC dated as of August 5, 2011 (the “**Fourth Amendment**”), as further amended by that certain Fifth Amendment to Fourth Amended and Restated Limited Liability Company Operating Agreement of Camp Pendleton & Quantico Housing, LLC dated as of December 15, 2011 (the “**Fifth Amendment**”), as further amended by that certain Sixth Amendment to Fourth Amended and Restated Limited Liability Company Operating Agreement of Camp Pendleton & Quantico Housing, LLC dated as of December 14, 2012 (the “**Sixth Amendment**”), as further amended by that certain Seventh Amendment to Fourth Amended and Restated Limited Liability Company Operating Agreement of Camp Pendleton & Quantico

Housing, LLC dated as of August 28, 2013 (the “**Seventh Amendment**”, and together with the Phase VI Agreement, 2010 Side Letter, First Amendment, Coleville LD Letter, Second Amendment, 2011 Side Letter, Third Amendment, Fourth Amendment, Fifth Amendment and Sixth Amendment, the “**Original Agreement**”). It is understood and agreed by the parties hereto that any rights or obligations that accrued under or in connection with the Original Agreement prior to the Effective Date shall be governed by the Original Agreement, and any rights or obligations that accrue under or in connection with this Agreement from and after the Effective Date shall be governed by this Agreement. The parties entered into the Original Agreement in order to design, finance, construct, demolish, own, manage, lease, sell, operate, and maintain certain residential units and related improvements on the Phase I Property, Phase II Property, Phase III Property, Phase IV Property, the Phase V Property, the Phase VI Property and the Phase VII Property. By this Agreement the parties are amending and restating the Original Agreement in order to release the Release Parcels (2015) (as such term is defined in the Amended and Restated Ground Lease); to add a parcel of property at the Pacific View site located at Camp Pendleton, California to the Phase IV Property; to add the Phase VIII Property; and to memorialize the other agreements set forth below. The term “**Phase(s)**” shall mean each of, or collectively, Phase IA, Phase IB, Phase II, Phase III, Phase IV, Phase V, Phase VI, Phase VII, Phase VIII and any additional phases that may be added to the CPQ Project by the Members.

[REDACTED]

WITNESSETH:

WHEREAS, the United States Congress, through Subtitle A - Military Housing Privatization Initiative of the 1996 Defense Authorization Act, P.L. 104-106, 110 Stat. 186 (“**Subtitle A**” or the “**Military Housing Privatization Initiative**”) has provided alternative authorities for acquisition and improvement of military housing; and

WHEREAS, pursuant to such authorization, the United States Member issued a Request for Qualification and Request for Proposals N68711-03-RP-01M02 and amendments for creation of a company for the development and operation of housing in support of United States Navy operations on the Phase I Property (as amended, the “**Phase I RFP**”); and

WHEREAS, a venture made up of [REDACTED] (b) (4) [REDACTED] (b) (4) [REDACTED] responded to the Phase I RFP, and submitted its offer to design, finance, construct, demolish, own, manage, operate and maintain approximately 4,601 or more residential units and associated improvements on the Phase I Property (as amended, the “**Phase I Offer**”); and

WHEREAS, the United States Member accepted the Phase I Offer; and

WHEREAS, the formation of the public-private venture between the Managing Member and the United States Member and the financing of the Phase I Property were consummated on October 1, 2003 (the “**Phase I Closing Date**”), and since the Phase I Closing Date, the Company has been developing and managing the Phase I Property; and

WHEREAS, the United States Member issued a Request for Proposal N68711-03-RP-01M02 and amendments for the development and operation of housing in

support of United States Navy operations on the Phase II Property (as amended, the “**Phase II RFP**”); and

WHEREAS, the Managing Member responded to the Phase II RFP, and submitted its offer to design, finance, construct, demolish, own, manage, lease, sell, operate and maintain approximately 897 residential units and associated improvements on the Phase II Property (as amended, the “**Phase II Offer**”); and

WHEREAS, the United States Member accepted the Managing Member’s Phase II Offer; and

WHEREAS, the Company acquired its interest in the Phase II Property and consummated the financing of the Phase II Property on October 1, 2004 (the “**Phase II Closing Date**”), and since the Phase II Closing Date, the Company has been developing and managing the Phase II Property; and

WHEREAS, the United States Member issued an Invitation for Proposal N68711-03-RP-01M02 and amendments for the development and operation of additional housing in support of United States Navy operations on the Phase III Property (as amended, the “**Phase III RFP**”); and

WHEREAS, the Managing Member responded to the Phase III RFP, and submitted its offer to design, finance, construct, demolish, own, manage, lease, sell, operate and maintain approximately 1,801 existing residential units and associated improvements (as amended, the “**Phase III Offer**”); and

WHEREAS, the United States Member accepted the Managing Member’s Phase III Offer; and

WHEREAS, the Company acquired its interest in the Phase III Property and consummated the financing of the Phase III Property on October 1, 2005 (the “**Phase III Closing Date**”), and since the Phase III Closing Date, the Company has been developing and managing the Phase III Property; and

WHEREAS, the United States Member issued an Invitation for Proposal N68711-03-RP-01M02 and amendments for the development and operation of additional housing in support of United States Navy operations on the Phase IV Property (as amended, the “**Phase IV RFP**”); and

WHEREAS, the Managing Member responded to the Phase IV RFP, and submitted its offer to design, finance, construct, demolish, own, manage, lease, sell, operate and maintain approximately 3,162 existing residential units and associated improvements (as amended, the “**Phase IV Offer**”); and

WHEREAS, the United States Member accepted the Managing Member’s Phase IV Offer; and

WHEREAS, the Company acquired its interest in the Phase IV Property and consummated the financing of the Phase IV Property on October 1, 2006 (the “**Phase IV Closing**”); and

Date”), and since the Phase IV Closing Date, the Company has been developing and managing the Phase IV Property; and

WHEREAS, in connection with the acquisition of the Company’s interest in the Phase IV Property, the Company also elected to add a parcel of land and improvements thereon to Phase III, to redesignate a parcel of land from Phase II to Phase IV, to make certain boundary line adjustments to the Phase I Property and the Phase III Property, to divide the “Phase I Property” into the “Phase IA Property” and the “Phase IB Property” and to include the demolition and new construction of Phase IB in the Phase IV/IB Design/Build Agreement; and

WHEREAS, the United States Member issued an Invitation for Proposal N68711-03-RP-01M02 and amendments for the development and operation of additional housing in support of United States Navy operations on the Phase V Property (as amended, the “**Phase V IFP**”); and

WHEREAS, the Managing Member responded to the Phase V IFP, and submitted its offer to design, finance, construct, demolish, own, manage, lease, sell, operate and maintain approximately 257-294 residential units and associated improvements (as amended, the “**Phase V Offer**”); and

WHEREAS, the United States Member accepted the Managing Member’s [REDACTED] offer; and

WHEREAS the Company acquired its interest in the Phase V Property and consummated the financing of the Phase V Property on October 1, 2007 (the “**Phase V Closing Date**”), and since the Phase V Closing Date, the Company has been developing and managing the Phase V Property; and

WHEREAS, at the request of the United States Member the Managing Member directed the Company to (i) release three parcels of land from the Phase I Property and re-convey the improvements on such land to the United States Member as of March 6, 2008, (ii) add two parcels of land to the Phase V Property as of September 5, 2008, (iii) release a parcel of land from the Phase II Property and re-convey the improvements on such land to the United States Member as of September 5, 2008, and (iv) (b) (4) [REDACTED], among other things, the construction of new units, a swimming pool and a community center on the Phase V San Mateo Point Premises as of December 23, 2008; and

WHEREAS, the United States Member issued an Invitation for Proposal N68711-03-RP-01M02 and amendments for the development and operation of additional housing in support of United States Navy operations on the Phase VI Property (as amended, the “**Phase VI IFP**”); and

WHEREAS, the Managing Member responded to the Phase VI IFP, and submitted its offer to design, finance, construct, demolish, own, manage, lease, sell, operate and maintain certain residential units and associated improvements (as amended, the “**Phase VI Offer**”); and

WHEREAS, the United States Member accepted the Managing Member’s Phase VI Offer with respect to the Phase VI Property; and

WHEREAS, the Company acquired its interest in the Phase VI Property (exclusive of the Stuart Mesa Additional Parcels (SMAP) Premises) on January 15, 2010 (the “**Phase VI Closing Date**”), and since the Phase VI Closing Date, the Company has been developing and managing the Phase VI Property; and

WHEREAS, at the request of the United States Member the Managing Member directed the Company to (i) add the Coleville Additional Land (2010) Premises to the Phase I Property and (ii) release certain land from the Phase I Property and re-convey the improvements on such land to the United States Member as of January 15, 2010; and

WHEREAS, pursuant to Section 2.3 of the Phase VI Ground Lease, the Managing Member directed the Company to add the Stuart Mesa Additional Parcels (SMAP) Premises to the Phase VI Property as of July 28, 2010; and

WHEREAS, the United States Member issued an Invitation for Proposal N68711-03-RP-01M02 dated November 12, 2009 and amendments for the acquisition, development and operation of additional housing in support of United States Navy operations on the Phase VII Property (as amended, the “**Phase VII IFP**”); and

WHEREAS, the Managing Member responded to the Phase V [REDACTED] d its offer to design, finance, construct, demolish, own, manage, lease, sell, operate and maintain certain residential units and associated improvements (as amended, the “**Phase VII Offer**”); and

WHEREAS, the United States Member accepted the Managing Member’s Phase VII Offer with respect to the Phase VII Property; and

WHEREAS, the Company, pursuant to the Vista Del Sol Assignment of Lease, assumed the United States of America, Department of the Navy’s interest in that certain Vista Del Sol Lease for the Phase VII Property and commenced the operation and management of the Phase VII Property on April 1, 2010; and

WHEREAS, the Company entered into the Vista Del Sol Purchase Agreement to effectuate the fee acquisition of the Phase VII Property as contemplated in the Phase VII IFP; and

WHEREAS, the Company acquired the fee interest of the Phase VII Property on September 30, 2010 (the “**Phase VII Closing Date**”), and the Company has been developing and managing the Phase VII Property since such Phase VII Closing Date; and

WHEREAS, the United States Member and the Managing Member entered into the Sixth Amendment to acknowledge that the Coleville Utility Upgrade Project achieved Final Completion (as such term is defined in the Coleville Utility Upgrade Design/Build Agreement) on October 3, 2012, and the utility upgrades and other improvements performed in connection with the Coleville Utility Upgrade Design/Build Agreement were being released from the Amended and Restated Ground Lease and returned to the Government (as defined in the Amended and Restated Ground Lease) in connection with the release of the Release Parcels (2012) pursuant to Section 8 of that certain Third Amendment to Fourth Amended and Restated

Real Estate Ground Lease and Partial Termination of Lease dated as of December 14, 2012, by and between the Government, as lessor, and the Company, as lessee; and

WHEREAS, at the request of the United States Member the Managing Member directed the Company to (i) add the Del Mar Additional Land (2015) Premises to the Phase I Property, (ii) add the Pacific View Additional Land (2015) Premises to the Phase IV Property, and (iii) release certain land from the Phase I Property, Phase III Property, Phase IV Property and Phase VI Property and re-convey the improvements on such land to the United States Member as of March 31, 2015; and

WHEREAS, the United States Member issued a "Request for Execution Plan for N68711-03-RP-01M02" dated October 16, 2014 and amendments for the acquisition, development and operation of additional housing in support of United States Navy operations on the Phase VIII Property (as amended, the "**Phase VIII IFP**"); and

WHEREAS, for purposes of clarifying the phasing schedule among the parties, the parties acknowledge that Phase VIII of the CPQ Project has the same meaning as "Phase IX" as referred to internally within the United States Member; and

WHEREAS, the Managing Member responded to the Phase VI [REDACTED] d its offer to design, finance, construct, demolish, own, manage, lease, sell, operate and maintain certain residential units and associated improvements (as amended, the "**Phase VIII Offer**"); and

WHEREAS, the United States Member accepted the Managing Member's Phase VIII Offer with respect to the Phase VIII Property, and the Company will acquire its interest in the Phase VIII Property on December 31, 2015 (the "**Phase VIII Closing Date**"); and

WHEREAS, the parties are amending and restating the Original Agreement in order (i) to reflect the prior amendments, (ii) to release the Release Parcels (2015); (iii) to add additional land at the Del Mar site located at Camp Pendleton, California to the Phase I Property; (iv) to add a parcel of property at the Pacific View site located at Camp Pendleton, California to the Phase IV Property; and (v) to add the Phase VIII Property, and to memorialize the other agreements set forth below.

NOW, THEREFORE, in consideration of the foregoing, of the mutual promises and obligations expressed in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree to operate the Company pursuant to the Act, as set forth in this Agreement, which reads in its entirety as follows:

ARTICLE 1. FORMATION, PURPOSE AND TERM OF THE COMPANY

Section 1.01. Formation of Company. The Managing Member and the United States Member acknowledge that the Managing Member has formed the Company as a limited liability company pursuant to The Delaware Limited Liability Company Act (the "**Act**"). The Members previously ratified, and hereby ratify, all acts taken by the Managing Member to form the

Company by filing the Certificate and hereby agree that the Company shall continue to be operated pursuant to the terms of this Agreement and the Act.

Section 1.02. Name of Company. The name of the Company shall continue to be “Camp Pendleton & Quantico Housing, LLC”. The business of the Company shall continue to be conducted under that name. The name of the Company may be changed by the filing by the Managing Member of an amendment to the Certificate with the Secretary of State of Delaware, provided, however, that any such name change shall be subject to the prior written approval of the Members, which approval shall not be unreasonably withheld, conditioned or delayed.

Section 1.03. Purpose of Company. The business activity and purposes of the Company are (i) to design, finance, demolish, construct, renovate, ground lease, own, manage, acquire, lease, sell, operate and maintain land, residential units and related improvements in support of United States Navy operations at the Phase I Property, the Phase II Property, the Phase III Property, the Phase IV Property, the Phase V Property, the Phase VI Property, the Phase VIII Property and in such other areas as may be mutually agreed in writing by the Members, (ii) the acquisition, design, financing, demolition, construction, ownership, management, leasing, sale, operation and maintenance of the Phase VII Property and (iii) any activities that are related or incidental to that business. The Company shall develop, demolish, construct, renovate, maintain, operate and manage the CPQ Project to a high level of skill and care [REDACTED] this Agreement. The Company shall engage in no other business.

Section 1.04. Principal Office of the Company. The principal place of business of the Company shall (b) (4) [REDACTED], or at any other place as may be determined from time to time by the Managing Member. Prior to changing the principal place of business of the Company, the Managing Member shall obtain the approval of the United States Member, which approval shall not be unreasonably withheld, conditioned or delayed.

Section 1.05. Registered Office and Registered Agent. The name of the registered agent of the Company is The Corporation Trust Company. The address of the registered office of the Company is 1209 Orange Street, Wilmington, DE 19801. The registered agent and registered office of the Company may be changed from time to time by the Managing Member; provided, however, that Managing Member shall obtain the prior written approval of the United States Member for any such change, which approval shall not be unreasonably withheld, conditioned or delayed.

Section 1.06. Term of Company. The term (the “**Term**”) of existence of the Company commenced on July 14, 2003 (the “**Commencement Date**”), which is the date on which the Certificate was filed with the Office of the Secretary of State of Delaware in accordance with the Act, and shall continue in existence through the stated term of the Amended and Restated Ground Lease, unless it is earlier dissolved and terminated pursuant to the provisions of this Agreement. The Term of the Company may be extended by mutual written consent of the Members.

Section 1.07. Recording of the Certificate. The Managing Member has recorded the Certificate required by the Act. The Managing Member shall also record a certified copy of the

Certificate in the office of the county recorder in every county in which the Company owns real property, if required by applicable law. The Managing Member shall take all other necessary action required by law to perfect and maintain the Company as a limited liability company under the laws of the State of Delaware and shall register the Company under any assumed or fictitious name statute or similar law in force and effect in the state. The Managing Member shall further take all steps necessary to authorize the Company to transact business in California, Virginia, Arizona, Missouri and Georgia, and shall maintain such authorization throughout the existence of the Company. All fees for filing and compliance with this Section 1.07 shall be paid out of the Company Assets or reimbursed to the Managing Member out of Company Assets.

ARTICLE 2. COMPANY CAPITALIZATION

Section 2.01. General Conditions.

(a) Upon the execution of this Agreement by the parties hereto, the Managing Member shall immediately take all actions necessary to assure the prompt establishment of the accounts required by this Agreement, to the extent not previously established.

(b) The [REDACTED] (b) (4) [REDACTED] (i) under Sections 2.02(a)(i) and 2.03(a) (each, a "**Phase I Capital Contribution**") on or about the Phase I Closing Date, (ii) under Sections 2.02(a)(ii) and 2.03(b) (each, a "**Phase II Capital Contribution**") on or about the Phase II Closing Date, (iii) under Sections 2.02(a)(iii) and 2.03(c) (each, a "**Phase III Capital Contribution**") on or about the Phase III Closing Date, (iv) under Sections 2.02(a)(iv) and 2.03(d) (each, a "**Phase IV Capital Contribution**") on or about the Phase IV Closing Date, (v) under Sections 2.02(a)(v) and 2.03(e) (each, a "**Phase V Capital Contribution**") on or about the Phase V Closing Date, (vi) under Sections 2.02(a)(vi) and 2.03(f) (each, a "**Phase VI Capital Contribution**") on or about the Phase VI Closing Date, and (vii) under Sections 2.02(a)(vii) and 2.03(g) (each, a "**Phase VII Capital Contribution**") on or about the Phase VII Closing Date. The Managing Member and the United States Member shall deliver their respective additional capital contributions for Phase VIII, as provided under Sections 2.02(a)(viii) and 2.03(h) (each, a "**Phase VIII Capital Contribution**") on or about the Effective Date. [REDACTED] (b) (4) [REDACTED]

[REDACTED] or another account maintained by the Trustee approved by the United States Member in accordance with the terms of the Amended and Restated Indenture and this Agreement.

(c) The Managing Member shall continue to maintain a Capital Account for the Managing Member and the United States Member as part of the books and records of the Company in accordance with Exhibit B attached hereto.

(d) Any additional capital contribution funds ("**Additional Capital Contributions**") shall be held and disbursed by the Company as provided in this Agreement and the First Mortgage Loan Documents.

Section 2.02. Capital Contribution of the Managing Member.

(a) (i) The Managing Member made an initial cash contribution to the capital of the Company in the amount of (b) (4) about the Phase I Closing Date.

(ii) On or before the Phase II Closing Date, the Managing Member made an additional cash contribution to the capital of the Company in the amount of (b) (4). The Managing Member's Phase II Capital Contribution was delivered (b) (4) or another account maintained by the Trustee approved by the United States Member in accordance with the terms of the Amended and Restated Indenture and this Agreement.

(iii) On or before the Phase III Closing Date, the Managing Member made an additional cash contribution to the capital of the Company in the amount of (b) (4). The Managing Member's Phase III Capital Contribution was delivered (b) (4) or another account maintained by the Trustee approved by the United States Member in accordance with the terms of the Amended and Restated Indenture and this Agreement.

(iv) On or before the Phase IV Closing Date, the Managing Member made an additional cash contribution to the capital of the Company in the amount of (b) (4). The Managing Member's Phase IV Capital Contribution was delivered (b) (4) or another account maintained by the Trustee approved by the United States Member in accordance with the terms of the Amended and Restated Indenture and this Agreement.

(v) On or before the Phase V Closing Date, the Managing Member made an additional cash contribution to the capital of the Company in the amount of (b) (4). The Managing Member's Phase V Capital Contribution was delivered (b) (4) or another account maintained by the Trustee approved by the United States Member in accordance with the terms of the Amended and Restated Indenture and this Agreement.

(vi) On or before the Phase VI Closing Date, the Managing Member made an additional cash contribution to the capital of the Company in the amount of (b) (4). The Managing Member's Phase VI Capital Contribution was (b) (4) or such other account maintained by the Trustee and approved by the United States Member in accordance with the terms of the Amended and Restated Indenture and this Agreement.

(vii) On or before the Phase VII Closing Date, the Managing Member made an additional cash contribution to the capital of the Company in the amount of [REDACTED]

(b) (4)

[REDACTED] or such other account maintained by the Trustee and approved by the United States Member in accordance with the terms of the Amended and Restated Indenture and this Agreement.

(viii) On or before the Effective Date, the Managing Member shall make an additional cash contribution to the capital of the Company in the amount of [REDACTED]

(b) (4)

[REDACTED] or such other account maintained by the Trustee and approved by the United States Member in accordance with the terms of the Amended and Restated Indenture and this Agreement.

(b)

(b) (4)

[REDACTED] the Managing Member shall not be obligated to make any further contributions by reason of being the Managing Member or a Member and shall not be liable for any debts or losses sustained by the Company in excess of the capital contributions described in Sections 2.02(a)(i), (ii), (iii), (iv), (v), (vi), (vii) and (viii) [REDACTED]

(b) (4)

(c)

(i)

(b) (4)

The Company hereby acknowledges that the Managing Member has fully performed its obligation under [REDACTED]

(b) (4)

(ii)

(b) (4)

The Company hereby acknowledges that the Managing Member has fully performed its obligation under [REDACTED]

(b) (4)

Section 2.03. Capital Contribution of the United States Member.

(a) The United States Member made a cash contribution to the capital of the Company in the amount of Seventy Million Six Hundred Sixty Two Thousand and 00/100 Dollars (\$70,662,000.00) on or about the Phase I Closing Date. The United States Member's Initial Capital Contribution was delivered (b) (4) or other account maintained by the Trustee approved by the United States Member in accordance with the terms of the Amended and Restated Indenture and this Agreement.

(b) The United States Member made an additional cash contribution to the capital of the Company in the amount of Eighteen Million Six Hundred Fifty-Four Thousand and 00/100 Dollars (\$18,654,000.00) on or about the Phase II Closing Date. The United States Member's Phase II Capital Contribution was delivered (b) (4) or other account maintained by the Trustee approved by the United States Member in accordance with the terms of the Amended and Restated Indenture and this Agreement.

(c) The United States Member made an additional cash contribution to the capital of the Company in the amount of Forty-Five Million Nine Hundred For /100 Dollars (\$45,940,000.00) on or about the Phase III Closing Date. The United States Member's Phase III Capital Contribution was delivered (b) (4) or another account maintained by the Trustee and approved by the United States Member in accordance with the terms of the Amended and Restated Indenture and this Agreement.

(d) The United States Member made an additional cash contribution to the capital of the Company in the amount of Thirty Million Eight Hundred Eighty-Eight Thousand and 00/100 Dollars (\$30,888,000.00) on or about the Phase IV Closing Date. The United States Member's Phase IV Capital Contribution was delivered (b) (4) or another account maintained by the Trustee and approved by the United States Member in accordance with the terms of the Amended and Restated Indenture and this Agreement.

(e) The United States Member made an additional cash contribution to the capital of the Company in the amount of Twenty-Three Million Seven Hundred Thirty-One Thousand and 00/100 Dollars (\$23,731,000.00) on or about the Phase V Closing Date. The United States Member's Phase V Capital Contribution was delivered (b) (4) and approved by the United States Member in accordance with the terms of the Amended and Restated Indenture and this Agreement.

(f) The United States Member made an additional cash contribution to the capital of the Company in the amount of One Hundred Eleven Million Nine Hundred Forty-One Thousand and 00/100 Dollars (\$111,941,000.00) on or about the Phase VI Closing Date. The United States Member's Phase VI Capital Contribution was (b) (4) or another account

maintained by the Trustee and approved by the United States Member in accordance with the terms of the Amended and Restated Indenture and this Agreement.

(g) The United States Member made an additional cash contribution to the capital of the Company in the amount of Forty-Nine Million Six Hundred Thousand and 00/100 Dollars (\$49,600,000.00) on or about the Phase VII Closing Date. The United States Member's Phase VII Capital Contribution was delivered (b) (4) as follows.

(i) Forty-Three Million Six Hundred Forty-Six Thousand Two Hundred Sixty-Two and 46/100 Dollars (\$43,646,262.46) was delivered to Chicago Title Insurance Company for purposes of consummating the Company's acquisition of the Phase VII Project and for payment of certain costs and expenses relating to such acquisition;

(ii) The remaining Five Million Nine Hundred Fifty-Three Thousand Seven Hundred Thirty-Seven and 54/100 Dollar (\$5,953,737.54) balance of the United States Member's Phase VII Capital Contribution (i.e., \$49,600,000.00 - \$43,646,262.46 = \$5,953,737.54) plus (ii) an additional Seven Million Eighty-Five Thousand and 00/100 (b) (4) was transferred (b) (4)

for the Phase VII Project, as more particularly described in this Agreement and the Amended and Restated Indenture;

(iii) Any remaining funds in the (b) (4) (as defined in the Seventh Supplement to the Amended and Restated Indenture) were transferred (b) (4); and

(iv) Any remaining funds in the other (b) (4) (as defined in the Seventh Supplement to the Amended and Restated Indenture) were transferred (b) (4) under the Eighth Supplement to the Amended and Restated Indenture (b) (4)

(h) The United States Member has requested applicable governmental approvals to make an additional cash contribution to the capital of the Company in the amount of Fifty Four Million One Hundred and Forty One Thousand and 00/100 Dollars (\$54,141,000.00) on or about the Phase VIII Closing Date. If the United States Member receives such approval to make the United States Member's Phase VIII Capital Contribution, then, and only then, the United States Member's Phase VIII Capital Contribution shall be delivered (b) (4) or other account maintained by the Trustee approved by the United States Member in accordance with the terms of the Amended and Restated Indenture and this Agreement. If the United States Member does not

receive such approvals to make the United States Member's Phase VIII Capital Contribution, then the United States Member shall not be obligated to make such a contribution.

(i) The United States Member shall not be obligated to make any further contributions by reason of being a Member. The United States Member shall not be liable for any debts or losses sustained by the Company in excess of the capital contributions described in Sections 2.03(a), (b), (c), (d), (e), (f), (g) and (h) and any amounts contributed by the United States Member pursuant to Section 2.04(a).

Section 2.04. Subsequent Capital Contributions; Cost of the CPQ Project.

(b) [REDACTED] Either Member may, at any time, at its option, make such Additional Capital Contributions as it may deem necessary for the successful operation of the Company or as required by this Agreement. If additional funds are necessary and the Members elect not to make an Additional Capital Contribution, then the Members shall agree on the most efficient course of action for the Company to proceed with respect to any Phase, [REDACTED]

(b) (4)

(b) [REDACTED] The Managing Member, on behalf of the Company, entered into the Phase IA Design/Build Agreements, and the Company entered into the Phase II Design/Build Agreement, the Phase III Design/Build Agreement, the Phase IV/IB Design/Build Agreement, the Phase V Design/Build Agreements, the Phase VI Design/Build Agreement, the Coleville Utility Upgrade Design/Build Agreement, the AC Reno Design/Build Agreement, the Phase VII Design/Build Agreement, and the Kansas City Demo Design/Build Agreement, and the Company will enter into the Phase VIII Design/Build Agreement concurrently herewith as more particularly described in Section 5.07 below. [REDACTED]

(b) (4)

[REDACTED]. If any such circumstance should arise, the United States Member and Managing Member shall agree on the most efficient course of action for the Company to proceed in order to accomplish the construction of the CPQ Project. Such [REDACTED]

(b) (4)

Section 2.05. Fund Transfers.

(a) In connection with the execution of [REDACTED]

(b) (4)

(b) [REDACTED] In connection with the execution of the Third Amendment, [REDACTED]

(b) (4)

(b) (4)

(c) In connection with the execution of the Fourth Amendment, the United States Member authorized the Managing Member to (b) (4)

(d) In connection with the execution of the Fifth Amendment, the United States Member authorized the Managing Member to (b) (4)

(b) In connection with the execution of the Seventh Amendment, the Managing Member requested that the Trustee (b) (4) for the Kansas City Demo Project. The United States Member authorized the Managing Member to (b) (4)

(f) The United States Member hereby authorizes the Managing Member to transfer Thirty-Five Million and 00/100 Dollars (\$35,000,000.00) from the Phase IV subaccount of the Operating Reserve Account to the Phase VIII subaccount of the Construction Escrow Account for the funding of the Phase VIII Project.

Section 2.06. Rights of Credit Provider and Trustee.

The provisions of this Article II relating to the Members' cash contributions shall not be modified or amended without the prior written consent of the Trustee and the Credit Provider.

ARTICLE 3. ALLOCATIONS

Section 3.01. Tax Matters Partner.

(a) The Managing Member shall be the “**Tax Matters Partner**” of the Company, and shall make such tax elections as it deems necessary or desirable to carry out the business of the Company and the purposes of this Agreement.

(b) The Managing Member shall prepare, or cause to be prepared, all income tax returns of the Company, and shall file, or cause to be filed, such returns in a timely manner with the appropriate authorities. The Managing Member shall provide copies of such returns to the Members.

[REDACTED]

(b) (4)

[REDACTED]

(d) The Managing Member shall make decisions as the Tax Matters Partner which are most beneficial to the Company.

Section 3.02. Allocations for Capital Account Purposes.

(b) (4)

[REDACTED]

(b) Special Allocation.

(b) (4)

[REDACTED]

(b) Net Income.

(b) (4)

[REDACTED]

(c) Net Losses.

(b) (4)

[REDACTED]

Section 3.03. Allocation of

(b) (4)

[REDACTED]

ARTICLE 4. EXPENSES AND DISTRIBUTIONS

Section 4.01. Distribution of Equity and Loan Proceeds Upon First Mortgage Loan Closing. (b) (4)

[REDACTED]

Section 4.02. Expenses and Cash Flow Distribution During the Development Period.

[REDACTED]

(b) (4)

(b) (4)

(b) (4)

(b) (4)

(b) (4)

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(b) (4)

Section 4.03. Expenses and Cash Flow Distributions During the Operations Period.

(b) (4)

(b) (4)

(b) (4)

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(b) (4)

[REDACTED]

[REDACTED]

(b) (4)

Section 4.04. Distribution of Other Proceeds.

(b) (4)

Section 4.05. Final Completion. Phase IA, Phase II, Phase III, Phase IV/IB, Phase V and Phase VI have achieved Substantial Completion and Final Completion.

ARTICLE 5. MANAGEMENT OF COMPANY AFFAIRS

Section 5.01. Rights and Duties of the Managing Member.

(a) The Managing Member shall commit to ensuring superior quality operations and management of the CPQ Project over the term of this Agreement.

(b) Except as otherwise provided in this Agreement, including, without limitation, Section 5.12, the Managing Member shall have exclusive management and control of the business of the Company and shall have full authority to take all actions necessary or appropriate to pursue the business and carry out the purpose of the Company. The Managing Member shall

have all the rights and powers of a managing member as provided in the Act and as otherwise provided by law. The signature or other action of the Managing Member acting as such shall be the signature or other action of the Company. Except as provided in Section 5.12 or as otherwise expressly provided in this Agreement, the Managing Member is granted the right, power and authority to do on behalf of the Company all things which are necessary, proper or desirable to carry out its duties and responsibilities, including, but not limited to, the following:

[REDACTED]
[REDACTED] (b) (4)

[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED] (b) (4)
[REDACTED]
[REDACTED] (b) (4)
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
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[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

(b) (4)

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[Redacted text block]

(b) (4)

Section 5.02. Other Obligations of the Managing Member.

(b) (4)

(a) (i) The Managing Member, on behalf of the Company, shall approve the final CPQ Project site plans, including the specific layout of Housing Units, the sizing and configuration of interior roads, the sizing and location of on-site and off-site utilities, and the details concerning all other required site improvements, in accordance with (A) the Phase I RFP, the Phase II RFP, the Phase III RFP, the Phase IV RFP, the Phase V IFP, the Phase VI IFP, the Phase VII IFP and the Phase VIII IFP, (B) the requirements listed in the Phase I Offer, the Phase II Offer, the Phase III Offer, the Phase IV Offer, the Phase V Offer, the Phase VI Offer, the Phase VII Offer and the Phase VIII Offer, (C) the plans and specifications for Phase I, Phase II, Phase III, Phase IV, Phase V, Phase VI, Phase VII and Phase VIII, which plans and specifications have been (or shall be) approved by the United States Member in accordance with the terms hereof, (D) the exhibits identified below in this Section 5.02(a) (the “**Design/Construction Exhibits**”) relating to the Coleville Utility Upgrade Project, Phase VII, the AC Reno Project, the Kansas City Demo Project, and Phase VIII, (E) this Agreement, (F) Applicable Laws, and (G) customary and reasonable design criteria. Discrepancies from the criteria set forth in clauses (A) through (G) above shall be resolved to the United States Member’s reasonable satisfaction. The following Design/Construction Exhibits are attached to this Agreement:

Phase I:

(b) (4)

(b) (4)

Phase II:

(b) (4)

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Phase III:

(b) (4)

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Phase IV/IB:

(b) (4)

(b) (4)

.

Phase V:

(b) (4)

.

Phase VI:

(b) (4)

Coleville Utility Upgrade Project:

(b) (4)

Phase VII:

(b) (4)

AC Reno Project:

(b) (4)

Kansas City Demo Project:

(b) (4)

(b) (4)

Phase VIII:

(b) (4)

(ii) The plans and specifications for the Yuma Project are to be substantially consistent with (A) the Phase II RFP; (B) the Phase II Offer; (C) Exhibit C to the Phase II Design/Build Agreement; (D) this Agreement; (E) customary and reasonable design criteria; and (F) Applicable Laws. Discrepancies from the criteria set forth in clauses (A) through (F) above shall be resolved to the United States Member's reasonable satisfaction. After the plans and specifications for one or more Sites within the Yuma Project are completed, the Managing Member will submit them to the United States Member for its reasonable review. The United States Member shall respond within (b) (4) days of receipt of the plans and specifications for each Site. If the United States Member does not approve the plans and specifications for any Site as submitted, the Managing Member and the United States Member shall meet and mutually resolve any discrepancies in a timely manner. If the United States Member does not respond in writing to the plans and specifications within (b) (4) days of receipt of such documents, then the United States Member shall be deemed to have approved such plans and specifications.

(iii) The plans and specifications for the Phase III Twentynine Palms Project and the Kansas City Project are to be substantially consistent with (A) the Phase III RFP; (B) the Phase III Offer; (C) Exhibit C to the Phase III Design/Build Agreement; (D) this Agreement; (E) customary and reasonable design criteria; and (F) Applicable Laws. Discrepancies from the criteria set forth in clauses (A) through (F) above shall be resolved to the United States Member's reasonable satisfaction. After the plans and specifications for one or more Sites within the Phase III Twentynine Palms Project or the Kansas City Project are completed, the Managing Member will submit them to the United States Member for its reasonable review. The United States Member shall respond within (b) (4) days of receipt of the plans and specifications for each Site. If the United States Member does not approve the plans and specifications for any Site as submitted, the Managing Member and the United States Member shall meet and mutually resolve any discrepancies in a timely manner. If the United States Member does not respond in writing to the plans and specifications within (b) (4) days of receipt of such documents, then the United States Member shall be deemed to have approved such plans and specifications.

(iv) The plans and specifications for the Phase IV Project and Phase IB Project are to be substantially consistent with (A) the Phase IV RFP; (B) the Phase IV Offer; (C) Exhibit C to the Phase IV/IB Design/Build Agreement; (D) this Agreement; (E) customary and reasonable design criteria; and (F) Applicable Laws. Discrepancies from the criteria set forth in clauses (A) through (F) above shall be resolved to the United States Member's reasonable satisfaction. After the plans and specifications for one or more Sites within the Phase IV Project or Phase IB Project are completed, the Managing Member will submit them to the United States Member for its reasonable review. The United States Member shall respond within (b) (4) days of receipt of the plans and specifications for each Site. If the United States Member does not approve the plans and specifications for any Site as submitted, the Managing Member and the United States Member shall meet and mutually resolve any discrepancies in a timely manner. If the United States Member does not respond in writing to the plans and specifications within (b) (4) days of receipt of such documents, then the United States Member shall be deemed to have approved such plans and specifications.

(v) The plans and specifications for the Phase V Project are to be substantially consistent with (A) the Phase V IFP; (B) the Phase V Offer; (C) Exhibit C to the Phase V Pendleton Design/Build Agreement; (D) Exhibit C to the MCLB Albany Design/Build Agreement; (E) this Agreement; (F) customary and reasonable design criteria; and (G) Applicable Laws. Discrepancies from the criteria set forth in clauses (A) through (G) above shall be resolved to the United States Member's reasonable satisfaction. After the plans and specifications for one or more Sites within the Phase V Project are completed, the Managing Member will submit them to the United States Member for its reasonable review. The United States Member shall respond within (b) (4) days of receipt of the plans and specifications for each Site. If the United States Member does not approve the plans and specifications for any Site as submitted, the Managing Member and the United States Member shall meet and mutually resolve any discrepancies in a timely manner. If the United States Member does not respond in writing to the plans and

specifications within (b) (4) days of receipt of such documents, then the United States Member shall be deemed to have approved such plans and specifications.

(v) The plans and specifications for the Phase VI Project are to be substantially consistent with (A) the Phase VI IFP; (B) the Phase VI Offer; (C) Exhibit C to the Phase VI Design/Build Agreement; (D) this Agreement; (E) customary and reasonable design criteria; and (F) Applicable Laws. Discrepancies from the criteria set forth in clauses (A) through (F) above shall be resolved to the United States Member's reasonable satisfaction. After the plans and specifications for one or more Sites within the Phase VI Project are completed, the Managing Member will submit them to the United States Member for its reasonable review. The United States Member shall respond within (b) (4) days of receipt of the plans and specifications for each Site. If the United States Member does not approve the plans and specifications for any Site as submitted, the Managing Member and the United States Member shall meet and mutually resolve any discrepancies in a timely manner. If the United States Member does not respond in writing to the plans and specifications within (b) (4) days of receipt of such documents, then the United States Member shall be deemed to have approved such plans and specifications.

(vi) The plans and specifications for the Coleville Utility Upgrade Project are to be substantially consistent with (A) Exhibit C to the Coleville Utility Upgrade Design/Build Agreement; (B) this Agreement; (C) customary and reasonable design criteria; and (D) Applicable Laws. Discrepancies from the criteria set forth in clauses through (D) above shall be resolved to the United States Member's reasonable satisfaction. After the plans and specifications for one or more Sites within the Coleville Utility Upgrade Project are completed, the Managing Member will submit them to the United States Member for its reasonable review. The United States Member shall respond within (b) (4) days of receipt of the plans and specifications for the Site. If the United States Member does not approve the plans and specifications for the Site as submitted, the Managing Member and the United States Member shall meet and mutually resolve any discrepancies in a timely manner. If the United States Member does not respond in writing to the plans and specifications within (b) (4) days of receipt of such documents, then the United States Member shall be deemed to have approved such plans and specifications.

(vii) The plans and specifications for the Phase VII Project are to be substantially consistent with (A) the Phase VII IFP; (B) the Phase VII Offer; (C) Exhibit C to the Phase VII Design/Build Agreement; (D) this Agreement; (E) customary and reasonable design criteria; and (F) Applicable Laws. Discrepancies from the criteria set forth in clauses (A) through (F) above shall be resolved to the United States Member's reasonable satisfaction. After the plans and specifications for one or more Sites within the Phase VII Project are completed, the Managing Member will submit them to the United States Member for its reasonable review. The United States Member shall respond within (b) (4) days of receipt of the plans and specifications for each Site. If the United States Member does not approve the plans and specifications for any Site as submitted, the Managing Member and the United States Member shall

meet and mutually resolve any discrepancies in a timely manner. If the United States Member does not respond in writing to the plans and specifications within twenty-one (21) calendar days of receipt of such documents, then the United States Member shall be deemed to have approved such plans and specifications.

(viii) The plans and specifications for the AC Reno Project are to be substantially consistent with (A) Exhibit C to the AC Reno Design/Build Agreement; (B) this Agreement; (C) customary and reasonable design criteria; and (D) Applicable Laws. Discrepancies from the criteria set forth in clauses (A) through (D) above shall be resolved to the United States Member's reasonable satisfaction. After the plans and specifications for one or more Sites within the AC Reno Project are completed, the Managing Member will submit them to the United States Member for its reasonable review. The United States Member shall respond within [REDACTED] (b) (4) days of receipt of the plans and specifications for the Site. If the United States Member does not approve the plans and specifications for the Site as submitted, the Managing Member and the United States Member shall meet and mutually resolve any discrepancies in a timely manner. If the United States Member does not respond in writing to the plans and specifications within (b) (4) [REDACTED] of receipt of such documents, then the United States Member shall be deemed to have approved such plans and specifications. (b) (4) [REDACTED]

(ix) The plans and specifications for the Kansas City Demo Project are to be substantially consistent with (A) Exhibit C to the Kansas City Demo Design/Build Agreement; (B) this Agreement; (C) customary and reasonable design criteria; and (D) Applicable Laws. Discrepancies from the criteria set forth in clauses (A) through (D) above shall be resolved to the United States Member's reasonable satisfaction. After the plans and specifications for one or more Sites within the Kansas City Demo Project are completed, the Managing Member will submit them to the United States Member for its reasonable review. The United States Member shall respond within (b) (4) [REDACTED] days of receipt of the plans and specifications for the Site. If the United States Member does not approve the plans and specifications for the Site as submitted, the Managing Member and the United States Member shall meet and mutually resolve any discrepancies in a timely manner. If the United States Member does not respond in writing to the plans and specifications within (b) (4) [REDACTED] days of receipt of such documents, then the United States Member shall be deemed to have approved such plans and specifications.

(x) The plans and specifications for the Phase VIII Project are to be substantially consistent with (A) the Phase VIII IFP; (B) the Phase VIII Offer; (C) Exhibit C to the Phase VIII Design/Build Agreement; (D) this Agreement; (E) customary and reasonable design criteria; and shall comply with Applicable Laws. Discrepancies (i) from the criteria set forth in clauses (A) through (E) above or (ii) involving whether the plans and specifications for the Phase VIII Project comply with Applicable Laws, shall be resolved to the United States Member's reasonable satisfaction. After the plans and specifications for one or more Sites within the Phase VIII Project are completed, the Managing Member will submit them to the United States Member for its reasonable review. The United States Member shall respond within (b) (4) [REDACTED] days of receipt of

the plans and specifications for each Site. If the United States Member does not approve the plans and specifications for any Site as submitted, the Managing Member and the United States Member shall meet and mutually resolve any discrepancies in a timely manner. If the United States Member does not respond in writing to the plans and specifications within twenty-one (21) calendar days of receipt of such documents, then the United States Member shall be deemed to have approved such plans and specifications.

(b) (i) The Managing Member has obtained all material federal, state and local permits necessary for the Company's commencement of general development of construction activities (1) on the Phase IA Sites in accordance with the dates listed in Exhibit K-1, (2) on the Phase II Sites in accordance with the dates listed in Exhibit K-2, (3) on the Phase III Sites in accordance with the dates listed in Exhibit K-3, (4) on the Phase IV and Phase IB Sites in accordance with the dates listed in Exhibit K-4, (5) on the Phase V Sites in accordance with the dates listed on Exhibit K-5, (6) on the Phase VI Sites in accordance with the dates listed on Exhibit K-6, (7) on the Coleville Utility Upgrade Project in accordance with the dates listed on Exhibit K-7, (8) on the Phase VII Sites in accordance with the dates listed on Exhibit K-8, (9) on the AC Reno Project in accordance with the dates listed on Exhibit K-9, (10) on the Kansas City Demo Project in accordance with the dates listed on Exhibit K-10; provided, (b) (4) individual building permits for Housing Units and other approvals required for operation and management of the CPQ Project be secured as the construction of units proceeds.

(ii) The Managing Member has obtained all material federal, state and local permits necessary for the Company's operation of the Existing Assets of Phase I, Phase II, Phase III, Phase IV, Phase V, Phase VI and Phase VII.

(iii) The Managing Member shall (b) (4), to obtain all federal, state and local permits necessary for the Company's commencement of general development of construction activities for Phase VIII in accordance with the dates listed on Exhibit K-11; provided, however, that individual building permits for Housing Units and other approvals required for operation and management of Phase VIII will be secured as the construction of units proceeds.

(b) (4) The Managing Member shall (b) (4), to obtain not later (b) (4) all federal, state and local permits necessary for the Company's operation of the Existing Assets of Phase VIII, or as soon as required by the First Mortgage Loan Documents.

(v) If the Managing Member is delayed in obtaining the permits or performing its obligations referenced in this Section 5.02(b) for reasons beyond the Managing Member's control, for example Force Majeure, or for reasons within the control of the United States Member, then the time periods set forth above and the dates of Substantial Completion shall be adjusted due to the delay in the issuing of the permits or performance of its obligations.

(b) (i) The Managing Member, on behalf of the Company, negotiated, arranged for and closed the initial financing of the CPQ Project (the “**Initial First Mortgage Loan**”) on the terms and conditions of the documents set forth in the documents referenced in Exhibit M-1 attached hereto (the “**Initial First Mortgage Loan Documents**”). The United States Member and the Managing Member approved the terms and conditions of the Initial First Mortgage Loan and the Initial First Mortgage Loan Documents. The proceeds of such financing were deposited into the funds and accounts specified in the Original Indenture. (b) (4)

(ii) The Managing Member, on behalf of the Company, shall negotiate and arrange for the Initial First Mortgage Loan (together with the Initial First Mortgage Loan, the “**Amended and Restated Initial First Mortgage Loan**”) on the terms and conditions of the documents set forth in the documents referenced in Exhibit M-2 attached hereto (the “**Amended and Restated Initial First Mortgage Loan Documents**”). The United States Member and the Managing Member hereby approve the terms and conditions of the Amended and Restated Initial First Mortgage Loan and the Amended and Restated Initial First Mortgage Loan Documents. The proceeds of such financing and/or such equity contribution shall be deposited (b) (4) and accounts specified in the Amended and Restated Indenture. The (b) (4)

(d) The Managing Member shall oversee, maintain, and (b) (4) all contracts entered into by the Managing Member on behalf of the Company.

(e) (i) Intentionally Deleted.

(ii) Intentionally Deleted.

(iii) Intentionally Deleted.

(iv) Intentionally Deleted.

(v) Intentionally Deleted.

(vi) Intentionally Deleted.

(vii)

(b) (4)

(b) (4)

(b) (4)

(b) (4)

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[Redacted text block]

(b) (4)

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(b) (4)

(g) Davis-Bacon.

(i) The Managing Member shall include the “Design/Builder Audit Procedure” provision found in Exhibit Z, including the Davis-Bacon Act and the “Payrolls and Basic Records” provision in the Design/Build Agreements. The Managing Member also shall perform reasonable and appropriate oversight activities to monitor compliance with the Davis-Bacon Act payment requirements for all laborers and mechanics employed or working upon the site under the Design/Build Agreements and the Development Management Agreements.

(ii) In the Design/Build Agreements, the Managing Member shall require the Design/Builder to include the Davis-Bacon Act and the “Payrolls and Basic Records” provision in all subcontracts.

(iii) In the event that the Managing Member requires support or guidance regarding wage decision compliance or enforcement issues, the Managing Member shall contact the Naval Facilities Engineering Command Business Agreement Manager for the CPQ Project.

(iv) Formal response by the Managing Member on behalf of the Company to Department of Labor representatives, Congressional offices, or other interested parties shall be coordinated with the Naval Facilities Engineering Command Business Agreement Manager for the CPQ Project and labor advisor prior to responding. Managing Member shall also require the Design/Builders, in the Design/Build Agreements, to coordinate any formal response to Department of Labor representatives, Congressional offices, or other interested parties, with the Naval Facilities Engineering Command Business Agreement Manager for the CPQ Project and Labor Advisor prior to responding.

(h) The United States Member conveyed the Kansas City Divestiture Property and the Kansas City Early Termination Property to the Company pursuant to quitclaim deeds attached hereto as Exhibit BB. The quitclaim deeds that conveyed the Kansas City Divestiture Property and the Kansas City Early Termination Property have been corrected pursuant to the Deeds of Correction for Quitclaim Deeds attached hereto as Exhibit BB-1 and Exhibit BB-2 to modify the boundary lines of the Kansas City Divestiture Property and the Kansas City Early Termination Property and to amend certain text in the original quitclaim deed for the Kansas

City Divestiture Property. Immediately prior to the United States Member's conveyance of the Kansas City Divestiture Property and the Kansas City Early Termination Property, the United States Member recorded a land use restriction agreement (collectively, the "**Land Use Restriction Agreements**") against such property. The Land Use Restriction Agreements are attached hereto as Exhibit CC-1.

(b) (4)

(b) (4)

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(i) The Company acquired the Phase VII Project in fee pursuant to that certain Grant Deed attached hereto as Exhibit BB-3. Immediately following the Company's acquisition of the Phase VII Project, the Company recorded a land use restriction agreement (the "**Phase VII Land Use Restriction Agreement**") against such property. The Phase VII Land Use Restriction Agreement, as recorded, is attached hereto as Exhibit CC-2.

(j) The Company shall diligently pursue Final Completion and the Managing Member shall, upon receipt, promptly deliver to the United States Member a fully executed copy of the Completion Certificate (as defined in the Original Indenture) for each Phase of the CPQ Project. In addition, the Managing Member shall, upon request of the United States Member,

provide copies of lien waivers delivered by the Design/Builder to the Company relating to any Phase that is in the Development Period or that completed its Development Period within [REDACTED] (b) (4) of such request.

Section 5.03. Specified Accounts to be Established by the Managing Member.

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Section 5.05. Cost Savings.

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Section 5.06. Contracts with the Managing Member or Its Affiliates.

(a) Subject to the conditions set forth in this Section 5.06, the Managing Member may, on behalf of the Company, enter into contracts with Affiliates of the Managing Member. Any payments made under such contracts shall not be considered payments or distributions to the Managing Member or the United States Member.

(b) Any contract between the Company and the Managing Member or an Affiliate shall be subject to the condition that the compensation, price or fee paid to the Managing Member or the Affiliate for services rendered, or for the sale or lease of goods, must be comparable and competitive with the compensation, price or fee paid to other persons rendering

comparable services, or selling or leasing comparable goods reasonably available to the Company.

Section 5.07. Specific Contracts the Managing Member Shall Enter Into On Behalf of the Company. The Company or one or more Members, as described below, shall enter into the agreements described in this Section 5.07.

(a) **Design/Build Agreements.**

(i) The Managing Member, on behalf of the Company, executed the Quantico Design/Build Agreement and the Initial Pendleton Design/Build Agreement (as modified to exclude certain work on Phase IB) for design and construction of Phase IA, the Phase II Design/Build Agreement for the design and construction of Phase II, the Phase III Design/Build Agreement for the design and construction of Phase III, the Phase IV/IB Design/Build Agreement for the design and construction of Phase IV/IB, the Phase V Design/Build Agreements for the design and construction of Phase V, the Phase VI Design/Build Agreement for the design and construction of Phase VI, the Coleville Utility Upgrade Design/Build Agreement for the design and construction of the Coleville Utility Upgrade Project, the Phase VII Design/Build Agreement for the design and construction of Phase VII, the AC Reno Design/Build Agreement for the design and construction of the AC Reno Project, and the Kansas City Demo Design/Build Agreement for the design and construction of the Kansas City Demo Project.

(ii) The Company shall execute a design/build agreement in the form attached hereto as Exhibit G-17 (as amended from time to time, the “**Phase VIII Design/Build Agreement**”) with (b) (4) (the “**Phase VIII Design/Builder**”), for the design and construction of Phase VIII.

(b) (4) All site development work and construction shall be bonded for payment and performance for (b) (4) of the work being performed at any given time, as more specifically set forth in the applicable Design/Build Agreement, and a copy of the forms of the bonds shall be attached as an exhibit to the applicable Design/Build Agreement and shall satisfy the requirements set forth in the First Mortgage Loan Documents. The Company and Trustee shall be named beneficiaries of any such guaranty and shall be named obligees on any such bonds.

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(b) Construction Consultant Agreements.

(i) The Managing Member, on behalf of the Company, executed a Phase IA Construction Consultant Agreement for each of the Initial Pendleton Project and the Quantico Project, a Phase II Construction Consultant Agreement for the Phase II Project, a Phase III Twentynine Palms Construction Consultant Agreement for the Phase III Twentynine Palms Project, a Kansas City Construction Consultant Agreement for the Kansas City Project, a Phase IV/IB Construction Consultant Agreement for the Phase IV/IB Project, a Phase V Pendleton Construction Consultant Agreement for the Phase V Pendleton Project, a MCLB Albany Construction Consultant Agreement for the Albany Project, a Phase VI Twentynine Palms Construction Consultant Agreement for the Phase

VI Twentynine Palms Project, a Phase VI Pendleton Construction Consultant Agreement for the Phase VI Pendleton Project, a Phase III O-6 Construction Consultant Agreement for the Phase III O-6 Sites, a Coleville Utility Upgrade Construction Consultant Agreement for the Coleville Utility Upgrade Project, a Phase VII Construction Consultant Agreement for the Phase VII Project and an AC Reno Construction Consultant Agreement for the AC Reno Project, pursuant to which the applicable Construction Consultant agreed to perform the duties described in Section 5.07(b)(iii) below for the applicable Phase.

(ii) The Company shall execute a contract for the Phase VIII Project (as amended from time to time, the “**Phase VIII Construction Consultant Agreement**”) with an independent architecture/engineering firm (the “**Phase VIII Construction Consultant**”) that will perform the duties described in Section 5.07(b)(iii) below for the Phase VIII Project.

(iii) The Construction Consultants shall (i) determine that final site plans and final plans and specifications for the applicable Phase of the CPQ Project (or portion thereof) are consistent with the applicable Design/Build Agreements; (ii) monitor site development work and construction of the applicable Housing Units and related improvements; (iii) ensure development and construction are completed pursuant to the applicable Design/Build Agreements; (iv) approve construction draws on behalf of the Company and/or the United States Member; and (v) confirm acceptance of work upon Substantial Completion of each applicable Phase (or portion thereof).

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. If the United States Member believes, in good faith, that a Construction Consultant is not performing its duties sufficiently, and the United States Member has notified the Managing Member in writing of a Construction Consultant’s deficiencies and the Managing Member has not caused such Construction Consultant to cure such deficiencies to the reasonable satisfaction of the United States Member within (b) (4) days after such notice, then the United States Member shall, with the consent of the Credit Provider, have the right to direct the Managing Member to replace the failing Construction Consultant with a new Construction Consultant mutually acceptable to the Members. If the Construction Consultant is replaced, then the Company and the Members shall be entitled to continue to rely on the decisions of the former Construction Consultant and such prior decisions shall not be revoked. The

Managing Member shall forward to the United States Member a copy of all reports submitted by the Construction Consultants within five (5) Business Days after receipt. The Phase IA Construction Consultant Agreements are attached as Exhibits R-1 and R-2. The Phase II Construction Consultant Agreement is attached as Exhibit R-3, the Phase III Construction Consultant Agreement is attached as Exhibit R-4. The Phase IV/IB Construction Consultant Agreement is attached as Exhibit R-5. The Phase V Construction Consultant Agreements are attached as Exhibits R-6 and R-7. The Phase VI Twentynine Palms Construction Consultant Agreement is attached as Exhibit R-8. The Phase VI Pendleton Construction Consultant Agreement is attached as Exhibit R-9. The Phase III O-6 Construction Consultant Agreement is attached as Exhibit R-10. The Coleville Utility Upgrade Construction Consultant Agreement is attached as Exhibit R-11. The Phase VII Construction Consultant Agreements are attached as Exhibit R-12-a and Exhibit R-12-b. The AC Reno Construction Consultant Agreement is attached as Exhibit R-13. The Phase VIII Construction Consultant Agreement is attached as Exhibit R-14.

(c) Code Compliance Agreements.

(i) The Managing Member, on behalf of the Company, entered into the Phase IA Code Compliance Agreements with the Phase IA Code Compliance Consultants, the Phase II Code Compliance Agreement with the Phase II Code Compliance Consultant, the Phase III Twentynine Palms Code Compliance Agreement with the Phase III Twentynine Palms Code Compliance Consultant, the Phase IV/IB Code Compliance Agreement with the Phase IV/IB Code Compliance Consultant, the Phase V Pendleton Code Compliance Agreement with the Phase V Pendleton Code Compliance Consultant, and the MCLB Albany Code Compliance Agreement with the MCLB Albany Code Compliance Consultant, the Phase VI Twentynine Palms Code Compliance Agreement with the Phase VI Twentynine Palms Code Compliance Consultant, the Phase VI Pendleton Code Compliance Agreement with the Phase VI Pendleton Code Compliance Consultant, the Phase III O-6 Code Compliance Agreement with the Phase III O-6 Code Compliance Consultant and the AC Reno Code Compliance Agreement with the AC Reno Code Compliance Consultant pursuant to which the applicable Code Compliance Consultant agreed to perform the functions described in Section 5.07(c)(iii) below with respect to certain site development work and construction to be performed by the applicable Design/Builder. The Company also entered into the Kansas City Scope Compliance Agreement as of October 1, 2005.

(ii) The Company shall enter into a contract for the Phase VIII Project (as amended from time to time, the “**Phase VIII Code Compliance Agreement**”) with an independent code compliance and plan reviewer acceptable to the Company (the “**Phase VIII Code Compliance Consultant**”), that will perform the functions described in Section 5.07(c)(iii) below with respect to the site development work and construction to be performed by the Phase VIII Design/Builder.

(iii) Each Code Compliance Consultant shall perform all of the functions that the local city or county planning and building departments would customarily perform with respect to the applicable work performed by each Design/Builder. The

initial Phase IA Code Compliance Consultants are (b) (4)

The Phase IA Code Compliance Agreements are attached as Exhibits T-1, T-2 and T-3. The initial Code Compliance Consultant for Phase II, the Phase III Twentynine Palms Project, and Phase IV/IB, and the initial Kansas City Scope Compliance Consultant shall be (b) (4). The Phase II Code Compliance Agreement is attached as Exhibit T-4, the Phase III Twentynine Palms Code Compliance Agreement is attached as Exhibit T-5, the Phase IV/IB Code Compliance Agreement is attached as Exhibit T-6, the Kansas City Scope Compliance Agreement is attached as Exhibit T-7, the Phase V Pendleton Code Compliance Agreement is attached as Exhibit T-8, and the MCLB Albany Code Compliance Agreement is attached as Exhibit T-9. The initial Phase VI Twentynine Palms Code Compliance Consultant is (b) (4). The Phase VI Twentynine Palms Code Compliance Agreement is attached as Exhibit T-10. The initial Phase VI Pendleton Code Compliance Consultant is (b) (4). The Phase VI Pendleton Code Compliance Agreement is attached as Exhibit T-11. The initial Phase III O-6 Code Compliance Consultant is (b) (4). The Phase III O-6 Code Compliance Agreement is attached as Exhibit T-12. The initial AC Reno Code Compliance Consultant (b) (4). AC Reno Code Compliance Agreement is attached as Exhibit T-13. The initial Phase VIII Code Compliance Consultant is (b) (4). The Phase VIII Code Compliance Agreement is attached as Exhibit T-14. The United States Member shall have the right to approve each Code Compliance Consultant, which approval shall not be unreasonably withheld, conditioned, or delayed. If the United States Member believes, in good faith, that a Code Compliance Consultant needs to be terminated and replaced, then, if the United States Member has notified the Managing Member in writing of a Code Compliance Consultant's deficiencies and the Managing Member has not caused such Code Compliance Consultant to cure such deficiencies to the reasonable satisfaction of the United States Member within thirty (30) days after such notice, the United States Member shall have the right to direct the Managing Member, subject to the consent of the Credit Provider, to replace such Code Compliance Consultant with a new code compliance consultant mutually acceptable to the Members. If a Code Compliance Consultant is replaced, then the Company and the Members shall be entitled to continue to rely on the decisions of such former Code Compliance Consultant and such prior decisions shall not be revoked. The Managing Member shall forward to the United States Member a copy of all reports submitted by the Code Compliance Consultants within five (5) Business Days after receipt.

(d) Property Management Agreements.

(b) (4) The Managing Member, on behalf of the Company, executed that certain Quantico Property Management Agreement dated October 1, 2003, pursuant to which (b) (4) agreed to operate and manage the Quantico Project. Thereafter, the Quantico Property Management Agreement was assigned to the Company pursuant to the Omnibus Assignment. (b) (4)

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(g) Ground Lease. Pursuant to that certain Real Estate Ground Lease dated as of October 1, 2003 (as assigned, the “**Original Ground Lease**”), between the United States of America, Department of the Navy, as ground lessor (the “**Ground Lessor**”) and the Company, as ground lessee, the Company has a leasehold interest in the Phase I Property and a fee interest in the improvements located (and to be located) thereon, for the term stated therein. The Original Ground Lease was amended and restated as of October 1, 2004 (the “**Phase II Ground Lease**”) to add a leasehold interest in the Phase II Property and a fee interest in the improvements located (and to be located) thereon for the term stated therein. The Phase II Ground Lease was amended by that certain First Amendment to the Amended and Restated Ground Lease dated as of October 1, 2005 (the Phase II Ground Lease, as so amended, the “**Phase III Ground Lease**”), to add a leasehold interest in the Phase III Property and a fee interest in the improvements located (and to be located) thereon, for the term stated therein. The Phase III Ground Lease was amended and restated by that certain Second Amended and Restated Real Estate Ground Lease dated as of October 1, 2006 (the Phase III Ground Lease, as so amended and restated, the “**Phase IV Ground Lease**”), between the Ground Lessor and the Company, as ground lessee, to add a leasehold interest in the Phase IV Property and a fee interest in the improvements located (and to be located) thereon, for the term stated therein, to make certain boundary line adjustments to the Phase I Property and the Phase III Property, to add a Twentynine Palms Housing Office to the Phase III Property, and to move the San Onofre Mobile Home Park from Phase II to Phase IV. The Phase IV Ground Lease was amended and restated by that certain Third Amended and Restated Real Estate Ground Lease dated as of October 1, 2007 (as amended and restated, the “**Phase V Ground Lease**”) between the Ground

Lessor and the Company, as ground lessee, to redesignate the Phase V San Mateo Point Premises from Phase II to Phase V, to release a portion of the Phase I Property located at MCB Quantico, and to add a leasehold interest in the balance of the Phase V Property and a fee interest in the improvements located (and to be located) thereon, for the term stated therein. The Phase V Ground Lease was further amended by (i) that certain First Amendment to Third Amended and Restated Real Estate Ground Lease dated as of March 6, 2008, to release a portion of Phase I Property located at MCB Quantico, (ii) that certain Second Amendment to Third Amended and Restated Real Estate Ground Lease dated as of September 5, 2008, to release the Yuma Release Property (2008) and to add the San Luis Rey V Additional Land (as such term is defined in the Amended and Restated Ground Lease) and (iii) that certain Third Amendment to Third Amended and Restated Real Estate Ground Lease dated as of December 23, 2008, to (b) (4) (the Phase V Ground Lease, as so amended, the “**Amended Phase V Ground Lease**”). The Amended Phase V Ground Lease was amended and restated by that certain Fourth Amended and Restated Real Estate Ground Lease dated as of January 15, 2010 (the Amended Phase V Ground Lease, as so amended and restated, the “**Phase VI Ground Lease**”), between the Ground Lessor and the Company, as ground lessee, to (i) add a leasehold interest in the Phase VI Property and a fee interest in the improvements located (and to be located) thereon; (ii) release the Quantico Release Parcels (2010) (as such term is defined in the Amended and Restated Ground Lease); (iii) correct a scrivener’s error on the surveys and legal descriptions of property located at Quantico, Virginia commonly known as the Lyman Park site, the Thomason Park site the Neville Road site and the White House Area Lease Area WH-A site; (iv) to add three parcels of property at the Thomason Park site and one parcel of property at the Lyman Park site located at Quantico, Virginia to the Phase I Property; (v) to reflect the re-designation of a portion of the Marine Palms site from Phase III to Phase VI; (vi) to reflect certain revisions to the surveys and legal descriptions of the Albany Project site in order to correct a scrivener’s error; and (vii) to reflect the parties’ agreement to lease and incorporate the Stuart Mesa Additional Parcels (SMAP) Premises into the Phase VI Property as of the Stuart Mesa Additional Parcels (SMAP) Premises Commencement Date. The Phase VI Ground Lease was further amended by (i) that certain First Amendment to Fourth Amended and Restated Real Estate Ground Lease and Partial Termination of Lease dated as of January 15, 2010, to add the Coleville Additional Land (2010) Premises to the Phase I Property and to release certain land from the Phase I Property, (ii) that certain Second Amendment to Fourth Amended and Restated Real Estate Ground Lease and Second Amendment to Phase VI Memorandum of Fourth Amended and Restated Real Estate Ground Lease and Deed of Conveyance (California) dated as of July 28, 2010, to add the Stuart Mesa Additional Parcels (SMAP) Premises to the Phase VI Property, (iii) that certain Third Amendment to Fourth Amended and Restated Real Estate Ground Lease and Partial Termination of Lease dated as of December 14, 2012, to reflect various lease line adjustments, and (iv) that certain Fourth Amendment to Fourth Amended and Restated Real Estate Ground Lease and Partial Termination of Lease dated as of December 14, 2012, to reflect various lease line adjustments (the Phase VI Ground Lease, as so amended, the “**Amended Phase VI Ground Lease**”). Ground Lessor and the Company have agreed to amend and restate the Amended Phase VI Ground Lease (as so amended and restated, and as further amended from time to time, the “**Amended and Restated Ground Lease**”) in order (i) to reflect the prior amendments, (ii) to release the Release Parcels (2015), (iii) to add additional land at the Del Mar site located at Camp Pendleton, California to the Phase I Property, (iv) to add a parcel of property at the Pacific View site located at Camp Pendleton, California to the Phase IV

Property, and (v) to add the Phase VIII Property. Such Amended and Restated Ground Lease is attached hereto as Exhibit V.

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(i) Omnibus Assignment. The Managing Member, on behalf of itself, as assignor, and the Company, as assignee, executed an Omnibus Assignment, Assumption, Consent and Release Agreement (the “**Omnibus Assignment**”), dated October 1, 2003, in which the Managing Member assigned, and the Company assumed, all of the Managing Member’s rights and obligations under certain agreements relating to the CPQ Project. Such Omnibus Assignment, Assumption, Consent and Release Agreement is attached hereto as Exhibit X.

(j) First Mortgage Loan Documents. The form of each agreement attached hereto and the form of each First Mortgage Loan Document is hereby approved by the United States Member.

(k) Assignment of Warranties. The United States of America, Department of the Navy, the Company and Coleville Utility Upgrade Design/Builder entered into that certain Assignment of Warranties (Coleville Utilities) dated as of the Sixth Amendment Effective Date, a copy of which is attached hereto as Exhibit G-15.

Section 5.08. Company Assets; Good Faith. All Company Assets shall be owned by the Company as an entity, and no Member shall have any ownership interests in such Company Asset in such Member’s individual name. The Company shall hold title to all Company Assets at all times in the name of the Company and not in the name of any Member. The Managing Member shall manage and control the affairs of the Company. In connection therewith, the Managing Member shall use good faith, commercially reasonable efforts to carry out the purposes of the Company for the benefit of the Company and the United States Member and to safeguard the funds and assets of the Company. The Managing Member shall not employ, and shall use good faith, commercially reasonable efforts to prevent others from employing, the Company’s funds and assets in any manner except for the exclusive benefit of the Company, and no Company Asset shall be transferred or encumbered for or in payment of an individual obligation of any Member. Each Member’s Membership Interest shall be personal property for all purposes.

Section 5.09. Liability; Indemnification. In carrying out its duties and exercising its powers pursuant to this Agreement, the Managing Member shall exercise reasonable skill, care, and business judgment. The Managing Member and its agents shall not be liable to the Company or the Members for any act or omission based upon errors of judgment, negligence,

any action or inaction, or other mistake or fault in connection with the business of the Company, so long as the person representing the Managing Member or its agents against whom liability is asserted acted (a) in good faith on behalf of the Company, and (b) in a manner reasonably believed to be within the scope of that person's authority under this Agreement and in the best interests of the Company, but only if such action or failure to act (b) (4)

(b) (4) To the full extent permitted by Applicable Laws, and except for loss or damage incurred by or (b) (4)

the Company shall indemnify, defend, and save harmless the Managing Member and the United States Member from, and reimburse the Managing Member and the United States Member for, all judgments and penalties, including excise and similar taxes, fines, settlements, and reasonable expenses, including attorneys' fees, if such Managing Member or the United States Member was, is or is threatened to be a named defendant or respondent in a proceeding because the Managing Member or the United States Member is or was a Managing Member or the United States Member. Such indemnification rights are in addition to any rights the Managing Member or the United States Member may have against third parties, and, without limitation, shall be deemed to authorize advance payment of expenses to the full extent permitted by law. However, nothing in this Agreement authorizes the indemnification of the Company or the Managing Member by the United States of America, the Department of Defense, or the Department of the Navy.

Section 5.10. Development Management.

(a) In addition to its other obligations provided for herein, the Managing Member shall be responsible for day-to-day management, coordination and evaluation of the activities of, among others, the design/builder, construction consultants and engineers, lenders, public utilities and building officials and shall use commercially reasonable efforts to obtain efficient work progress on all construction matters related to the CPQ Project (the "Services"). Various costs and responsibilities to be paid and performed by the Company in conjunction with the Quantico Design/Build Agreement, the Initial Pendleton Design/Build Agreement and the Phase II Design/Build Agreement are further contained in Exhibit G-8, Exhibit G-9 and Exhibit G-10 respectively, which exhibits relate back to the scope of work attached as Exhibit A to each such Design/Build Agreement.

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Section 5.11. Condemnation and Insurance Proceeds.

(a) Condemnation Proceeds. Subject to the terms and conditions of the First Mortgage Loan Documents and the Amended and Restated Ground Lease, proceeds from the condemnation of any Company Asset shall be disbursed in accordance with Section 5.12(g) hereof.

(b) Insurance Proceeds. Subject to the terms and conditions of the First Mortgage Loan Documents and the Amended and Restated Ground Lease, proceeds from the insurance related to any Company Asset shall be disbursed in accordance with Section 5.12(g) hereof.

Section 5.12. Rights and Duties of the United States Member.

(a) The United States Member has made its Initial Capital Contribution, its Phase II Capital Contribution, its Phase III Capital Contribution, its Phase IV Capital Contribution, its Phase V Capital Contribution, its Phase VI Capital Contribution and its Phase VII Capital Contribution as required in Section 2.03. The United States Member shall make its Phase VIII Capital Contribution as provided in Section 2.03.

(b) Notwithstanding anything to the contrary in this Agreement and in addition to any other consent or approval of the United States Member provided for elsewhere in this Agreement, the Managing Member shall obtain the written approval of the United States Member concerning the following matters:

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(c) The United States Member shall have no liability for the obligations, debts, or losses of the Company beyond the amount of its Initial Capital Contribution, its Phase II Capital Contribution, its Phase III Capital Contribution, its Phase IV Capital Contribution, its Phase V Capital Contribution, its Phase VI Capital Contribution, its Phase VII Capital Contribution, its Phase VIII Contribution, if any, and any Additional Capital Contr. (b) (4) the United States Member.

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(g) The United States Member may direct the Managing Member (b) (4) n of the Company Assets, so long as (1) such sale is not prohibited by the First Mortgage Loan Documents, and (2) the receipts of such sale are sufficient to pay (and are applied at closing of the sale to pay) any and all amounts due under the First Mortgage Loan Documents in connection with such sale (including any yield maintenance fee, swap termination payments or redemption premiums). The proceeds of such sale shall be applied by the Managing Member, as follows:

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collected and analyzed, and (ii) the date that is one (1) year after the end of the Development Period of the applicable Phase (the “**Transition Date**”), the rental rate (the “**Military Rental Rate**”) for each Housing Unit for the applicable Phase occupied by a Military Tenant shall be equal to the Basic Allowance for Housing (or the “**BAH**”) of the pay-grade designation for that Housing Unit (the “**Unit Pay-Grade Designation**”) occupied by such Military Tenant, and the Company shall pay the in-unit gas and electric costs for Military Tenants. After the Transition Date, subject to Section 5.13(e) below, at the option of the United States Member, a portion of the annual aggregate BAH equal to one-twelfth (1/12) of the annual aggregate Normal Utility Deduction shall be deposited monthly into the applicable account of the Utility Expense Fund, and to the extent funds are available in such account, the Company shall pay the in-unit gas and electric costs and Utility Rebates for Military Tenants out of such applicable account of the Utility Expense Fund. From and after the Transition Date, if a Military Tenant’s actual consumption of gas and electricity is more than one hundred fifteen percent (115.00%) of the Estimated Usage, then the Company shall be entitled to collect the actual cost of such excess consumption (over the one hundred fifteen percent (115.00%) level) from such Military Tenant, and (ii) if a Military Tenant’s actual consumption of gas and electricity is less than eighty-five percent (85.00%) of the Estimated Usage, then the Company shall provide such tenant with a rebate equal to the actual cost saved (below such eighty-five percent (85.00%) level) (such rebate is referred to herein as, a “**Utility Rebate**”), all as more particularly set forth in the applicable Management Plan.

(d) The term “**Normal Utility Deduction**” is an amount equal to one hundred fifteen percent (115.00%) of the estimated cost of gas and electricity usage (such estimated usage is referred to herein as, the “**Estimated Usage**”) adjusted for seasonal variations to be incurred by a Military Tenant for the applicable rental period based on surveys of actual usage (categorized by type and location of Housing Unit) and projected utility rates according to the formula and procedures set forth in Exhibit L, subject to the limitation set forth in Section 5.13(e) below. The initial BAH, Unit Pay-Grade Designation and Normal Utility Deduction for each type of Housing Unit in Phase IA as of October 1, 2003 is attached hereto as Exhibit S-1. The initial BAH, Unit Pay-Grade Designation and Normal Utility Deduction for each type of Housing Unit in Phase II is attached hereto as Exhibit S-2, in Phase III is attached as Exhibit S-3, in Phase IV/IB is attached as Exhibit S-4, in Phase V is attached as Exhibit S-5, in Phase VI is attached as Exhibit S-6, in Phase VII is attached as Exhibit S-7, and in Phase VIII is attached as Exhibit S-8.

(e) The Military Rental Rate shall be adjusted at each Adjustment Date based on the rate of increase in the local BAH minus the Normal Utility Deduction. However, if on any such Adjustment Date the Military Rental Rate increases by less than one and 50/100 percent (1.50%) per annum, and the Normal Utility Deduction contributed to a diminution of the rental rate percentage increase, then the Military Rental Rate minus the Normal Utility Deduction for the period for which the adjustment is being made shall be increased at the same percentage rate as the BAH percentage rate change.

(f) The United States Member may adjust the Unit Pay-Grade Designations as long as the Gross Potential Effective Operating Income for all units remains constant, increases or does not decrease by more than one percent (1.00%) per annum.

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(b) (4)

[REDACTED]

(i) During the term of this Agreement, the Company shall lease Housing Units in each Phase of the CPQ Project in accordance with the procedures set forth in Section 4.3.8 of the applicable Property Management Agreement and the Management Plan (as defined in such Property Management Agreement), which include a preferential right for Preferred Referrals to lease the Housing Units, subject to the terms set forth in such provisions. In the event that there is a discrepancy between the terms of this Agreement and the terms of a Property Management Agreement and the related Management Plan, the terms of this Agreement shall control.

(j) The parties hereto agree and acknowledge that the provisions of this Section 5.13 shall not be modified or amended, nor shall the procedures with respect to Preferred Referrals be modified or amended, in any manner that is adverse to the Company's right to lease to civilians, without the prior written consent of the Credit Provider.

ARTICLE 6. DEFAULT; DISSOLUTION, WINDING-UP AND TERMINATION

Section 6.01. Default.

(a) For purposes of this Agreement, the term “**Managing Member Event of Default**” shall mean any of the following events:

(i) The failure of the Managing Member (A) to make the Phase VIII Capital Contribution described in Section 2.02 above or (b) (4)

(b) (4) (C) to pay or fund any contribution, charge, expense or other amount due by the Managing Member, if any, as required herein and the failure under clause (A), (B) or (C) to commence curing such default within (b) (4)

(ii) Entry of a decree of judicial dissolution or any other dissolution, suspension or termination of the Managing Member under the Act and failure of Managing Member to remedy or cure such dissolution, suspension or termination within (b) (4)

If such dissolution is caused by a failure to comply with technical requirements of state law (e.g., filing annual reports, paying nominal fees, etc.) and the Managing Member is not able to cure such default within the cure period described above, then the Managing Member shall have the right to cure such default by forming a new limited liability company with the same members and the same capitalization as the Managing Member had on the date of such dissolution and substituting such new entity as the Managing Member hereunder;

(iii) The Managing Member makes an assignment for the benefit of creditors, becomes insolvent, or files a voluntary petition in bankruptcy under any section or chapter of the U.S. Bankruptcy Code, as amended, or under any similar law or statute of the United States or any state, and fails to remedy or cure such default within (b) (4)
or

(b) Subject to Section 5.09 above, the violation by the Managing Member of any of Managing Member's other material covenants under this Agreement and failure to remedy or cure the violation within (b) (4)

(b) (4)

(b) (4)

(b) (4)

(b) (4)

[REDACTED]

(b) (4)

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

(b) (4)

[REDACTED]

[REDACTED]

[REDACTED]

(b) [REDACTED]
[REDACTED]
(4) [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

(b) [REDACTED]
[REDACTED]
(4) [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

Section 6.02. Liquidation, Dissolution, and Termination.

(a) The Company shall be dissolved upon the occurrence of either of the following events; provided, however, that any such dissolution of the Company shall be subject to the First Mortgage Loan Documents:

(i) Expiration of the Term of the Company as set forth in Section 1.06 of this Agreement, or the earlier termination of the Company in accordance with this Section 6.02; or

(ii) Bankruptcy, removal, dissolution or withdrawal of the Managing Member, unless cured as provided in Section 6.01(a) above or within ninety (90) days after the date of such event the United States Member agrees in writing to continue the

business of the Company and to the appointment, effective as of the date of such event, of a new Managing Member which shall agree in writing to act as Managing Member and be bound by the terms of this Agreement, and which shall be a special purpose entity, having articles of formation substantially the same as the initial Managing Member and shall be able to make the representations and covenants set forth in this Agreement.

(b) At any time during the Term of this Agreement, upon ninety (90) days written notice to the Managing Member, the United States Member may direct the Managing Member to use commercially reasonable efforts to obtain an offer to purchase the United States Member's Membership Interest in the Company. Any such offer shall be consistent with the fair market value of the United States Member's Membership Interest in the Company at the time of the offer. Any transfer or assignment of a Membership Interest in the Company shall be subject to the provisions of Section 11.01 below and the First Mortgage Loan Documents.

(c) Upon dissolution of the Company, the Company's business shall be liquidated in an orderly manner in accordance with the terms of this Agreement, subject to the First Mortgage Loan Documents. Except as otherwise provided in this Agreement and the Amended and Restated Ground Lease, all Company Assets after payments of amounts due by the Company shall revert to the United States Member. The Managing Member shall [REDACTED] wind up the affairs of the Company pursuant to this Agreement; provided however, that the Managing Member and United States Member unanimously may approve one or more other persons to act as the liquidator in carrying out such liquidation. The Managing Member, or the liquidators appointed by the Managing Member and the United States Member, shall hereinafter be referred to as the "**Liquidator**."

(d) If a sale of assets is called for in performing its duties, the Liquidator is authorized to sell, distribute, exchange or otherwise dispose of the assets of the Company in any reasonable manner and as promptly as is consistent with obtaining the fair market value thereof. The Liquidator shall determine whether such actions are in the best interest of the Company, the Managing Member and the United States Member.

(e) Upon dissolution and liquidation of the Company, distribution of the proceeds thereof shall be made as follows, subject to the terms of the First Mortgage Loan Documents:

(b) [REDACTED]
[REDACTED]
(b) [REDACTED]
[REDACTED]
(b) [REDACTED]
[REDACTED]
(b) (4) [REDACTED]
[REDACTED]
[REDACTED]

ARTICLE 7. BOOKS, RECORDS, AND ACCOUNTS

Section 7.01. Books and Records. The books and records of the Company shall be kept on an accrual basis in accordance with usual and customary accounting principles and practices. Such books and records shall be maintained by reference to an accounting year, which shall be the fiscal year. The Managing Member shall keep, or cause to be kept, full and proper accounts of all transactions of the Company. On or before 120 days following the expiration of each fiscal year, the Managing Member at the Company's expense, shall make and distribute, or cause to be made and distributed to the Managing Member and United States Member a full and detailed independently audited statement showing the operations of the Company during the then ended year, including, without limitation, a statement of the accounts of each of the Managing Member and the United States Member. The Managing Member also shall prepare and distribute, or cause to be prepared and distributed, and provide to the United States Member, quarterly financial statements, and other information related to the financial performance and operation of the CPQ Project as the Managing Member and the United States Member may reasonably request.

Section 7.02. Inspection. The books and records of the Company shall be maintained at the Managing Member's principal office (or such other office as may be designated from time to time, in accordance with applicable Delaware laws, provided that such [REDACTED] shall be delivered to the Managing Member's principal office within fifteen (15) days after written request by the United States Member). The books and records of the Company shall be open to inspection by the United States Member at all reasonable times during any Business Day. In this respect, the Company shall be subject to certain statutory or regulatory audit procedure requirements as set forth on Exhibit U attached hereto.

Section 7.03. Accounting Decisions. All decisions regarding accounting principles, procedures and methods shall be made by the Managing Member consistent with the Act and this Agreement.

Section 7.04. Federal Acquisition Regulations. The transaction under this Agreement is not governed by the Federal Acquisition Regulations ("FAR"). However, certain FAR provisions have been selected for use for administrative purposes and are incorporated into this Agreement by reference as Exhibit Y attached hereto.

ARTICLE 8. REPRESENTATIONS AND WARRANTIES

Section 8.01. United States Member. The United States Member makes the following representations and warranties to the Managing Member as of the date of this Agreement:

(a) This Agreement has been duly authorized, executed and delivered by the United States Member. The United States Member has the power and authority to make, deliver and perform this Agreement; and this Agreement constitutes the legal, valid, and binding obligation of the United States Member, enforceable in accordance with its terms, subject as to enforceability to bankruptcy, insolvency, reorganization, moratorium and similar laws affecting the enforcement of creditors' rights generally and to general principles of equity.

(b) No consent or authorization of, filing with or other act by or in respect of, any arbitrator or Governmental Authority is required in connection with the issuance of the Company Membership Interests of the United States Member hereunder or the execution, delivery, performance, validity or enforceability of this Agreement by or against the United States Member.

Section 8.02. Managing Member. The Managing Member makes the following representations and warranties to the United States Member as of the date of this Agreement:

(a) This Agreement has been duly authorized, executed and delivered by the Managing Member; the Managing Member has the power and authority to make, deliver and perform this Agreement; and this Agreement constitutes the legal, valid and binding obligation of the Managing Member, enforceable in accordance with its terms, subject as to enforceability to bankruptcy, insolvency, reorganization, moratorium and similar laws affecting the enforcement of creditors' rights generally and to general principles of equity.

(b) To the Managing Member's knowledge, the Company is duly organized, validly existing and in good standing as a limited liability company under the laws of Delaware, and is duly authorized to transact business in the State of California, the State of Arizona, the State of Missouri, the State of Georgia, and the Commonwealth of Virginia. [REDACTED]

(c) No consent or authorization of, filing with or other act by or in respect of, any arbitrator or Governmental Authority is required in connection with the issuance of the Company Membership Interests of the Managing Member hereunder or the execution, delivery, performance, validity or enforceability of this Agreement by or against the Managing Member.

(d) No litigation, investigation or proceeding of or before any arbitrator or Governmental Authority is pending or, to the knowledge of the Managing Member, threatened by or against the Company or the Managing Member or against any of their assets (A) with respect to this Agreement or any of the transactions contemplated hereby or thereby, or (B) which could reasonably be expected to have a Material Adverse Effect.

ARTICLE 9. MISCELLANEOUS PROVISIONS

Section 9.01. Notices. All notices, consents, demands, requests, or other communications which may or are required to be given hereunder to the Company, Managing Member, the United States Member or the Trustee shall be sent by (a) hand delivery (which shall be deemed to have been received when the sender receives a signed receipt therefor), (b) reputable overnight courier (which shall be deemed to have been received one Business Day after the date sent), (c) United States mail, registered or certified, return receipt requested, postage prepaid (which shall be deemed to have been received five (5) days after the date sent), or (d) facsimile, with a copy sent by reputable overnight courier (which shall be deemed to have been received when the sender receives a confirmation of successful transmission of the facsimile). Such documents shall be sent to the following address:

(1) **If to the Company:**

Camp Pendleton & Quantico Housing, LLC

(b) (4)

And with a copy to:

The United States Member at the addresses set forth below.

And with a copy to:

The Managing Member at the addresses set forth below.

(2) **If to the United States Member:**

Department of the Navy
Southwest Division
Naval Facilities Engineering Command
1220 Pacific Hwy
San Diego, CA 92132
Attn: Business Agreement Manager
Reference: Camp Pendleton & Quantico PPV

Phone: (b) (4)
Fax: (619) 532-3384

And with a copy to:

Naval Facilities Engineering Command
Special Venture Acquisition
1322 Patterson Avenue SE, Suite 1000
Washington Navy Yard, DC 20374-5065
Reference: Camp Pendleton & Quantico PPV

Phone: (202) 685-9344
Fax: (202) 685-1672

(3) **If to the Managing Member:**

(b) (4)

(b) (4)

(b) (4)

With a copy to each of the following:

(b) (4)

7/21/21

(b) (4)

(b) (4)

■ (b) (4)

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(5) **If to the Credit Provider:**

(b) (4)
(b) (4)
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The Company, the Managing Member, the Trustee, the Credit Provider, and/or the United States Member may change its address for the giving of notices, consents, demands, requests, or other communications by delivering written notice to the Company, the Managing Member, the Trustee, the Credit Provider, and the United States Member of its new address. The phrase “after receipt of written notice” (or words of similar meaning) shall mean after receipt of written notice from one Member to another Member. All default notices shall be clearly marked as a “**DEFAULT NOTICE**” in all capitalized, bolded type at the top of the first page of such notice and shall reference the section of this Agreement under which the alleged default occurred.

Section 9.02. Governing Law. This Company is formed pursuant to the provisions of the Act. In the event that this Agreement, or any portion of it, or the operations contemplated by it are found to be inconsistent with or contrary to laws or official orders, rules or regulations of the United States, then the applicable laws of the United States shall control. This Agreement then shall be modified accordingly and, as so modified, shall continue in full force and effect. Nothing in this section shall be construed as a waiver of any right to question or contest any such law, order, rule or regulation before the Armed Services Board of Contract Appeals or the United States Court of Federal Claims pursuant to the Contract Disputes Act of 1978, as amended, 41 U.S.C. §601, et seq.

Section 9.03. Entire Agreement/Exhibits.

(a) This Agreement, including exhibits and attachments, supersedes any prior agreements or understandings between the parties, oral or written. The exhibits attached hereto are hereby incorporated by reference.

(b) This Agreement may not be amended without the prior written approval of the Managing Member and the United States Member.

(c) Notwithstanding anything in this Agreement to the contrary, if and so long as any portion of the First Mortgage Loan is outstanding, no portion of Section 9.03(b), 9.03(c) and

10.1 of this Agreement shall be amended, whether by consent of the Members (even if unanimous), by law, or otherwise. In addition, this Agreement may not be amended in any way that materially and adversely affects, or conflicts with, the First Mortgage Loan Documents in any material respect without the prior written consent of the Credit Provider.

Section 9.04. No Waiver. The failure of the Managing Member or the United States Member to seek redress for violation or to insist on strict performance, of any covenant or condition of this Agreement shall not prevent a subsequent act which would have constituted a violation from having the effect of an original violation.

Section 9.05. Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument.

Section 9.06. Creditors. Except as expressly provided herein and in the First Mortgage Loan Documents, none of the provisions of this Agreement shall be for the benefit of or enforceable by any of the creditors of the Company or any Member.

Section 9.07. Remedies. The rights and remedies of the Managing Member and the United States Member shall not be mutually exclusive. The exercise of [REDACTED] by the Managing Member and the United States Member is entitled shall not preclude the exercise of any other right the Managing Member and the United States Member may have.

Section 9.08. Disputes. Disputes under this Agreement shall be subject to the Contract Disputes Act of 1978, as amended, 41 U.S.C. §601, et seq. If a dispute should arise, the parties, by mutual consent, may agree to use alternative means of dispute resolution. When using arbitration conducted pursuant to 5 U.S.C. §§575-580, or when using any other alternative dispute resolution technique that the agency selected in accordance with the Administrative Dispute Resolution Act, any claim, regardless of amount, shall be accompanied by the certification required by the Contract Disputes Act, as amended. For the purposes of this provision, correspondence to the United States Member shall be directed as follows and all other correspondence shall be directed as set forth in Section 9.01 above:

Naval Facilities Engineering Command, Southwest
1220 Pacific Hwy
San Diego, CA 92132
Attn: Business Agreements Manager
Reference: Camp Pendleton & Quantico PPV

Phone: 619-532-2590
Fax: 619-532-3384

Section 9.09. Successors and Assigns. This Agreement shall inure to the benefit of, be binding upon, and be enforceable by and against the parties hereto, their successors and assigns. Any transfer or assignment of an interest in the Company shall be subject to the provisions of Section 11.01 below.

Section 9.10. Severability. The invalidity or un-enforceability of any provision of this Agreement in a particular respect shall not affect the validity and enforceability of any other provisions of this Agreement or of the same provision in any other respect.

Section 9.11. Authority. The Managing Member and the United States Member each warrants to the other that the person signing this Agreement on its behalf, respectively, is authorized to do so.

Section 9.12. Additional Documents. Whenever the Managing Member may from time to time reasonably request, the Managing Member and the United States Member shall execute, acknowledge and/or verify, and deliver such written instruments (including an amended Certificate of the Company and fictitious name certificates) as the Managing Member may reasonably deem necessary or appropriate to carry out the purposes and intent of this Agreement so long as such documents do not materially change any substantive term of this Agreement. In addition, each Member shall, from time to time, within ten (10) Business Days after written request by the other Member, deliver a certificate signed by the certifying Member confirming and containing such factual certifications and representations as to this Agreement as the requesting Member may reasonably request.

Section 9.13. Notice of Change In Ownership of Members of Managing Member. In the event there occurs a change in the ownership of the members constituting Managing Member, the Managing Member hereby agrees to give notice of such change to the United States Member.

Section 9.14. No Default.

(a) The United States Member hereby represents and warrants that (i) the Managing Member is not in default of its obligations under the Original Agreement and (ii) to the knowledge of the United States Member, no event has occurred and no condition exists that would constitute a Managing Member Event of Default under the Original Agreement or which, with the passage of time or the giving of notice or both, would constitute a Managing Member Event of Default under the Original Agreement. The Trustee and the Credit Provider are entitled to rely on the representation and warranty contained herein.

(b) The Managing Member hereby represents and warrants that (i) the United States Member is not in default of its obligations under the Original Agreement and (ii) to the knowledge of the Managing Member, no event has occurred and no condition exists that would constitute a United States Member event of default under the Original Agreement or which, with the passage of time or the giving of notice or both, would constitute a United States Member event of default under the Original Agreement. The Trustee and the Credit Provider are entitled to rely on the representation and warranty contained herein.

ARTICLE 10. SEPARATENESS/OPERATIONS MATTERS

Section 10.01. Covenants. Notwithstanding any other provision of this Agreement and any provision of law that otherwise so empowers the Company, and so long as there remain outstanding any obligations secured by the CPQ Project, the Company covenants and agrees that it shall:

(a) Maintain full, complete and official books, records, entity documents, and bank accounts, and shall do so (i) in its own name, and (ii) separate from those of any other person or entity;

(b) maintain its assets in its own name and in such a manner that it is not costly or difficult to segregate, identify or ascertain such assets from those of all other persons and entities;

(c) hold regular meetings, as appropriate, to conduct the business of the Company, and observe all customary organizational and operational formalities, together with those required by the laws of the jurisdiction of the Company's organization or formation, and preserve its existence as an entity duly organized, validly existing and in good standing (if applicable) under the laws of such jurisdiction;

(d) hold itself out to creditors and the public as a legal entity separate and distinct from any other entity;

(e) prepare, maintain and file or deliver, as the case may be, tax returns, financial records, accounting records, and financial statements either (i) on a separate individualized basis, or (ii) as part of a consolidated group, in which case the Company shall be shown as a separate member of such group whose assets are not available to satisfy the debts of the other members of the group;

(f) allocate and charge fairly and reasonably any common [REDACTED] head shared with Affiliates;

(g) transact all business with Affiliates on an arm's-length basis and pursuant to enforceable agreements with terms that are intrinsically fair and similar to those that would be reached between the Company and a non-affiliate, and shall timely and appropriately document and accurately record all such transactions on its books and records;

(h) conduct business and act solely in, and identify itself by, its own name, and use separate stationery, invoices and checks (to the extent that it uses stationery, invoices and checks);

(i) not commingle its assets or funds with those of any other person or entity;

(j) except as may be permitted by the Amended and Restated Indenture, not assume, guarantee pay or pledge any assets to secure the debts or obligations of any other person or entity or hold out its credit as being available to satisfy the obligations of any person or entity;

(k) pay (or reimburse others for) its operating expenses and all other liabilities of the Company, including the salaries of its employees (if any), out of its own funds;

(l) maintain sufficient number of employees in light of its contemplated business operations;

(m) not acquire the obligations or securities of its Affiliates or any other persons or entities;

(n) not make loans to any person or entity or buy or hold evidence of indebtedness issued by any other person or entity (other than cash and investment grade securities and Approved Loans);

(o) correct any known misunderstanding regarding its separate existence, identity, assets, liabilities, and credit;

(p) not identify itself or be designated as a department or division of any other person or entity;

(q) not merge or consolidate with any other person or entity; and

(r) maintain adequate capital for the normal obligations reasonably foreseeable in a business of its size and character and in light of its contemplated business operations.

ARTICLE 11. TRANSFER OF OWNERSHIP INTERESTS IN COMPANY

Section 11.01. Transfer of Ownership Interests In Company. No transfer of any direct or indirect ownership interest in the Company such that the transferee owns more than a 49% interest in the Company (or such other interest as specified in the Loan Documents or by a rating agency) may be made unless such transfer is accompanied by the delivery of a reasonably acceptable non-consolidation opinion to the holder of the First Mortgage Loan and to any applicable rating agency concerning, as applicable, the Company, the new transferee and/or their respective affiliates.

ARTICLE 12. DEFINITIONS

Section 12.01. Definitions. Capitalized words and phrases used in this Agreement have the following meanings:

“**2010 Side Letter**” shall have the meaning set forth in the recitals of this Agreement.

“**2011 Side Letter**” shall have the meaning set forth in the recitals of this Agreement.

(b) (4)

“**AC Reno Code Compliance Agreement**” shall mean that certain Code Compliance Agreement (AC Renovation- O’Neill Heights and San Luis Rey) dated as of June 8, 2011, by and between the Company and the AC Reno Code Compliance Consultant, as amended from time to time.

“**AC Reno Code Compliance Consultant**” shall mean [REDACTED].

“**AC Reno Construction Consultant**” shall mean [REDACTED].

(b) (4)

(b) (4)

“**AC Reno Design/Build Agreement**” means the Design/Build Agreement (AC Renovation- O’Neill Heights and San Luis Rey) dated as of June 8, 2011, between the Company and the AC Reno Design/Builder, as amended and modified from time to time. A fully executed copy of the AC Reno Design/Build Agreement is attached hereto as Exhibit G-14.

(b) (4)

“**AC Reno Design/Builder**” means (b) (4), a California limited liability company.

(b) (4)

“**AC Reno Project**” shall mean the air conditioning renovation work and other improvements being performed pursuant to the AC Reno Design/Build Agreement at the O’Neill Heights and San Luis Rey neighborhoods serving MCB Camp Pendleton.

“**Act**” means The Delaware Limited Liability Company Act, as the same may be amended or supplemented from time to time.

(b) (4)

“**Additional Pendleton Project**” shall mean the properties owned or leased by the Company in the San Diego County, California region and part of Phase II of the CPQ Project, as more particularly described in Exhibit A-3.

“**Adjusted Capital Account**” means the Capital Account maintained for each Member as of the end of each fiscal year (i) increased by any amounts which such Member is obligated to restore pursuant to any provision of this Agreement or is treated as being obligated to restore pursuant to Regulations Section 1.704-1(b)(2)(ii)(c) or is deemed to be obligated to restore pursuant to the penultimate sentences of Regulations Sections 1.704-2(g)(1) and 1.704-2(i)(5) and (ii) decreased by the items described in Regulations Sections 1.704-1(b)(2)(ii)(d)(4), 1.704-1(b)(2)(ii)(d)(5), and 1.704-1(b)(2)(ii)(d)(6). The foregoing definition of Adjusted Capital Account is intended to comply with the provisions of Regulations Section 1.704-1(b)(2)(ii)(d) and shall be interpreted consistently therewith.

“**Adjusted Capital Account Deficit**” means, with respect to any Member, the deficit balance, if any, in such Member’s Adjusted Capital Account as of the end of the relevant fiscal year.

“**Adjusted Property**” means any property the Carrying Value of which has been adjusted pursuant to Section 1.D of Exhibit B hereof.

“**Adjustment Date**” means each date on which new published BAH rates take effect, (generally on January 1st of each year) and the date on which a significant change in utility rates

occurs within the year as determined by the United States Member; provided however, that such adjustment is subject to the annual limitations set forth in Section 5.13(e).

“**Affiliate(s)**” means the members of the Managing Member or any entity that controls, is controlled by or is under common control with either the Managing Member or its members.

“**Agreement**” means this Fifth Amended and Restated Limited Liability Company Operating Agreement, as amended from time to time.

(b) (4)

“**Amended and Restated Asset Management Agreement**” shall have the meaning set forth in Section 5.07(e).

“**Amended and Restated Ground Lease**” shall have the meaning set forth in Section 5.07(g).

“**Amended and Restated Indenture**” shall mean the Amended and Restated Indenture of Trust dated as of October 1, 2004 by and between the Company and (b) (4) as trustee thereunder, as amended by that certain First Supplemental Indenture dated as of October 1, 2005, as further amended by that certain Second Supplemental Indenture dated as of October 2, 2006, as further amended by that certain Third Supplemental Indenture dated as of October 1, 2007, as further amended by that certain Fourth Supplemental Indenture dated as of September 5, 2008, as further amended by that certain Fifth Supplemental Indenture dated as of January 15, 2010, as further amended by that certain Sixth Supplemental Indenture dated as of January 15, 2010, as further amended by that certain Seventh Supplemental Indenture dated as of April 1, 2010, as further amended by that certain Eighth Supplemental Indenture effective as of September 30, 2010, as further amended by that certain Ninth Supplemental Indenture effective as of December 14, 2012, as further amended by that certain Tenth Supplemental Indenture effective as of March 31, 2015, and as further amended by that certain Eleventh Supplemental Indenture effective as of the Phase VIII Closing Date, and as hereafter amended from time to time.

“**Amended and Restated Initial First Mortgage Loan**” shall have the meaning set forth in Section 5.02(c)(ii).

“**Amended and Restated Initial First Mortgage Loan Documents**” shall have the meaning set forth in Section 5.02(c)(ii).

“**Amended and Restated Pendleton Property Management Agreement**” shall have the meaning set forth in Section 5.07(d)(ii).

“**Amended Phase V Ground Lease**” shall have the meaning set forth in Section 5.07(g).

“**Amended Phase VI Ground Lease**” shall have the meaning set forth in Section 5.07(g).

(b) (4)

“**Applicable CPI Increase**” means the then-current annual percentage increase over the prior year in the Consumer Price Index for All Urban Consumers (Housing) applicable to the metropolitan area in which a Phase (or portion thereof, as applicable) is located.

“**Applicable Laws**” shall mean all laws, codes, ordinances, rules, regulations and orders of governmental authorities having jurisdiction over the property and/or the Company’s work on the CPQ Project, to the extent applicable to such property and/or work.

“**Applicable Phase**” shall have the meaning set forth in Section 4.02.

(b) (4)

“**Approved Loans**” means loans to the Company by the United States Member, the Managing Member or Affiliates or members of the Managing Member, subject to the United States Member’s approval, except as otherwise provided herein, which approval shall not be unreasonably withheld, conditioned or delayed.

(b) (4)

(b)

)

(4)

)

(b) Except as noted in this Agreement, the term “Approved Loan” shall include the principal amount of the loan or other amount due, together with interest on the principal amount outstanding, from time to time, at an annual rate equal to (b) (4) from the date on which such principal is advanced until the date of repayment.

(b)

)

(4)

)

“**Approved Operating Expenses**” shall have the meaning set forth in Section 5.04(a)(iii).

(b) (4)

(b) (4)

“**Bachelor**” means an active duty military tenant without dependents or an active reserve duty tenant without dependents.

“**BAH**” or “**Basic Allowance for Housing**” shall be the rental housing allotment as determined by the United States Member for all members of the Department of Navy for any portion of the CPQ Project, as applicable.

“**BAH Gap Amount**” shall have the meaning set forth in Section 5.13(g).

“**Base Month**” shall have the meaning set forth in Section 5.04(a)(ii)

“**Book-Tax Disparities**” means, with respect to any item of Contributed Property or Adjusted Property, as of the date of any determination, the difference between the Carrying Value of such Contributed Property or Adjusted Property and the adjusted basis thereof for federal income tax purposes as of such date. A Member’s share of the Company’s Book-Tax Disparities in all of its Contributed Property and Adjusted Property will be reflected by the difference between such Member’s Capital Account balance as maintained pursuant to Exhibit B and the hypothetical balance of such Member’s Capital Account computed as if it had been maintained strictly in accordance with federal income tax accounting principles.

(b) (4)

“**Business Day**” means any day that is not a Saturday, Sunday or holiday under the laws of the State of California, the State of New York, the State of Arizona, the State of Missouri, the State of Georgia, the Commonwealth of Virginia, or the United States of America.

“**Cap**” shall have the meaning set forth in Exhibit AA.

“**Capital Account**” means the Capital Account maintained for a Member pursuant to Exhibit B hereof.

(b) (4)

“**Carrying Value**” means (i) with respect to a Contributed Property or Adjusted Property, the Gross Asset Value of such property reduced (but not below zero) by all Depreciation with respect to such property charged to the Members’ Capital Accounts and (ii) with respect to any other Company property, the adjusted basis of such property for federal income tax purposes, all as of the time of determination. The Carrying Value of any property shall be adjusted from time to time in accordance with Exhibit B hereof, and to reflect changes, additions or other adjustments to the Carrying Value for dispositions and acquisitions of Company properties, as deemed appropriate by the Managing Member.

“**Carryover Approved Loans**” shall have the meaning set forth in Exhibit AA.

“**Certificate**” shall mean the Articles of Organization of the Company filed with the Delaware Secretary of State on July 14, 2003.

(b) (4)

(b) (4)

(b) (4)

(b) (4)

“**Code**” means the Internal Revenue Code of 1986, as amended and in effect from time to time, as interpreted by the applicable regulations thereunder. Any reference herein to a specific section or sections of the Code shall be deemed to include a reference to any corresponding provision of future law.

“**Code Compliance Agreement(s)**” shall mean each of, or collectively, the Phase IA Code Compliance Agreements, the Phase II Code Compliance Agreement, the Phase III Twentynine Palms Code Compliance Agreement, the Phase IV/IB Code Compliance Agreement, the Phase V Code Compliance Agreements, the Phase VI Twentynine Palms Code Compliance Agreement, the Phase VI Pendleton Code Compliance Agreement, the [REDACTED] Code Compliance Agreement, the AC Reno Code Compliance Agreement and the [REDACTED] Code Compliance Agreement.

“**Code Compliance Consultant(s)**” mean each of, or collectively, the Phase IA Code Compliance Consultants, the Phase II Code Compliance Consultant, the Phase III Twentynine Palms Code Compliance Consultant, the Phase IV/IB Code Compliance Consultant, the Phase V Code Compliance Consultants, the Phase VI Twentynine Palms Code Compliance Consultant, the Phase VI Pendleton Code Compliance Consultant, the Phase III O-6 Code Compliance Consultant, the AC Reno Code Compliance Consultant and the Phase VIII Code Compliance Consultant.

“**Coleville Additional Land (2010) Premises**” shall have the meaning set forth in the Amended and Restated Ground Lease.

“**Coleville LD Letter**” shall have the meaning set forth in the recitals of this Agreement.

“**Coleville Project**” shall mean the properties owned or leased by the Company in the Mono County, California region and part of Phase IA of the CPQ Project, as more particularly described in Exhibit A-1a.

(b) (4)

“**Coleville Utility Upgrade Construction Consultant**” shall mean TTG.

(b) (3) (B)

(b) (4)

“Coleville Utility Upgrade Design/Build Agreement” shall mean that certain Coleville Utility Upgrade Design/Build Agreement dated as of June 10, 2010, by and between the Company and the Coleville Utility Upgrade Design/Builder, as modified by that certain Construction Modification to Coleville Utility Upgrade Design/Build Agreement dated as of August 5, 2011. A fully executed copy of the Coleville Utility Upgrade Design/Build Agreement is attached hereto as Exhibit G-12.

“Coleville Utility Upgrade Design/Builder” shall mean (b) (4) its successors and assigns.

(b) (4)

(b) (4)

(b) (4)

“Coleville Utility Upgrade Project” shall mean the utility upgrades and other improvements at MCMWTC Coleville being performed pursuant to the Coleville Utility Upgrade Design/Build Agreement to address the potable water and (b) (4) demands on the existing utility systems and associated equipment at MC (b) (4)

(b) (4)

“Commencement Date” shall have the meaning set forth in Section 1.06.

“Community Improvement Schedule” shall have the meaning set forth in Section 5.03(e).

(b) (4)

“Company” shall have the meaning set forth in the opening paragraph of this Agreement.

“Company Asset(s)” means, at any particular time, any and all assets and property (tangible and intangible, fixed or contingent) of the Company.

“Consolidated Portfolio Report” means the report prepared by (b) (4) or its successor, based upon the Resident Satisfaction Surveys for an aggregate of all the properties in the CPQ Project pursuant to the Amended and Restated Asset Management Agreement.

“Construction Consultant(s)” shall mean each of, or collectively, the Phase IA Construction Consultants, the Phase II Construction Consultant, the Phase III Twentynine Palms Construction Consultant, the Kansas City Construction Consultant, the Phase IV/IB Construction Consultant, the Phase V Construction Consultants, the Phase VI Twentynine Palms Construction Consultant, the Phase VI Pendleton Construction Consultant, the Phase III O-6 Construction Consultant, the Coleville Utility Upgrade Construction Consultant, the Phase VII Construction Consultant, the AC Reno Construction Consultant and the Phase VIII Construction Consultant.

“**Construction Consultant Agreement(s)**” shall mean each of, or collectively, the Phase IA Construction Consultant Agreements, the Phase II Construction Consultant Agreement, the Phase III Twentynine Palms Construction Consultant Agreement, the Kansas City Construction Consultant Agreement, the Phase IV/IB Construction Consultant Agreement, the Phase V Construction Consultant Agreements, the Phase VI Twentynine Palms Construction Consultant Agreement, the Phase VI Pendleton Construction Consultant Agreement, the Phase III O-6 Construction Consultant Agreement, the Coleville Utility Upgrade Construction Consultant Agreement, the Phase VII Construction Consultant Agreement, the AC Reno Construction Consultant Agreement and the Phase VIII Construction Consultant Agreement.

“**Construction Costs**” shall mean, (1) with respect to each of the Initial Pendleton Project and the Quantico Project, the amount of the applicable Phase IA Design/Build Agreement (b) (4)

(b) (4) (2) with respect to Phase II, the amount of the Phase II Design/Build Agreement (b) (4)

(b) (4) (3) with respect to Phase III, the amount of the Phase III Design/Build Agreement (b) (4)

(b) (4) (4) with respect to Phase IV/IB, the amount of the Phase IV/IB Design/Build Agreement (b) (4)

(b) (4) (5)

(b) (4) (6) with respect to Phase VI, the amount of

the Phase VI Design/Build Agreement, (7) with respect to Coleville Utility Upgrade Project, the amount of the Coleville Utility Upgrade Design/Build Agreement, (8) with respect to Phase VII, the amount of the Phase VII Design/Build Agreement, (9) with respect to the AC Reno Project, the amount of the AC Reno Design/Build Agreement, (10) with respect to the Kansas City Demo Project, the amount of the Kansas City Demo Design/Build Agreement, (11) with respect to Phase VIII, the amount of the Phase VIII Design/Build Agreement, and (12) with respect to the CPQ Project, the aggregate amount of the Design/Build Agreements (b) (4)

(b) (4)

(b) (4)

(b) (4)

(b) (4)

(b) (4)

(b) (4)

“**Contributed Property**” means each property or other asset (but excluding cash), in such form as may be permitted by the Act or contributed to the Company. Once the Carrying Value of a Contributed Property is adjusted pursuant to Section 1.D of Exhibit B hereof, such property shall no longer constitute a Contributed Property for purposes of Exhibit B hereof, but shall be deemed an Adjusted Property for such purposes.

“**CPI**” shall mean the Consumer Price Index for All Urban Consumers (Housing) applicable to the metropolitan area in which a Phase (or portion thereof, as applicable) is located.

“**CPI Adjustment(s)**” shall mean an increase by an amount equal to the Applicable CPI Increase.

“**CPQ Project**” shall mean, collectively, the Initial Pendleton Project, the Quantico Project, the Additional Pendleton Project, the Yuma Project, the Phase III Twentynine Palms Project, the Kansas City Project, the Phase IV/IB Project, the Phase V Pendleton Project, the Albany Project, the Phase VI Pendleton Project, the Phase VI Twentynine Palms Project, the Phase VII Project, the Phase VIII Project and any other projects agreed upon in writing by the Members.

“**Credit Provider**” shall mean (b) (4) as the provider of the Credit Facility referenced in the Amended and Restated Indenture, or any other “Credit Provider” as defined in the Amended and Restated Indenture.

“**Current Month**” shall have the meaning set forth in Section 5.04(a)(ii).

(b) (4)

“**Davis-Bacon Act**” shall mean the Davis-Bacon Act codified at 40 U.S.C. §3141 *et seq.*

“**Del Mar Additional Land (2015) Premises**” shall have the same meaning as the term “Del Mar Additional Land (2015) Premises” in the Amended and Restated Ground Lease.

“**Depreciation**” means, for each fiscal year, an amount equal to the federal income tax depreciation, amortization, or other cost recovery deduction allowable with respect to an asset for such year, except that if the Carrying Value of an asset differs from its adjusted basis for federal income tax purposes at the beginning of such year or other period, Depreciation shall be an amount which bears the same ratio to such beginning Carrying Value as the federal income tax depreciation, amortization, or other cost recovery deduction for such year bears to such beginning adjusted tax basis; provided, however, that if the federal income tax depreciation, amortization, or other cost recovery deduction for such year is zero, Depreciation shall be determined with reference to such beginning Carrying Value using any reasonable method selected by the Managing Member.

“**Design/Build Agreement(s)**” shall mean each of, or collectively, the Phase IA Design/Build Agreements, the Phase II Design/Build Agreement, the Phase III Design/Build Agreement, the Phase IV/IB Design/Build Agreement, the Phase V Design/Build Agreements, the Phase VI Design/Build Agreement, the Coleville Utility Upgrade Design/Build Agreement, the Phase VII Design/Build Agreement, the AC Reno Design/Build Agreement, the Kansas City Demo Design/Build Agreement, the Phase VIII Design/Build Agreement or other design/build agreement relating to the CPQ Project and approved by the Members.

(b) (4)

“**Design/Builder(s)**” shall mean each of, or collectively, the Phase IA Design/Builders, the Phase II Design/Builder, the Phase III Design/Builder, the Phase IV/IB Design/Builder, the

Phase V Design/Builders, the Phase VI Design/Builder, the Coleville Utility Upgrade Design/Builder, the Phase VII Design/Builder, the AC Reno Design/Builder, the Kansas City Demo Design/Builder, the Phase VIII Design/Builder or any other design/builder under a Design/Build Agreement.

“**Design/Construction Exhibits**” shall have the meaning set forth in Section 5.02(a)(i).

(b) (4)

(b) (4)

“**Development Period**” means:

(i) with respect to Phase IA, the period from October 1, 2003 to the date of Substantial Completion of Phase IA;

with respect to Phase IB, the period from October 1, 2003 to the date of Substantial Completion of Phase IB; provided, (b) (4)

(b) (4)

(iii) with respect to Phase II, the period from the Phase II Closing Date to the date of Substantial Completion of Phase II;

(iv) with respect to Phase III, the period from the Phase III Closing Date to the date of Substantial Completion of Phase III;

(v) with respect to Phase IV, the period from the Phase IV Closing Date to the date of Substantial Completion of Phase IV; (b) (4)

(vi) with respect to Phase V, the period from the Phase V Closing Date to the date of Substantial Completion of Phase V;

(vii) with respect to Phase VI, the period from the Phase VI Closing Date to the date of Substantial Completion of Phase VI (b) (4)

(viii) with respect to the Phase VII Project, the period from the Phase VII Closing Date to the date of Substantial Completion of the Phase VII Project;

(ix) with respect to the Phase VIII Project, the period from the Phase VIII Closing Date (b) (4)

(x) with respect to any other Phase, the period specified in an amendment to this Agreement.

(b) (4)

“**Effective Date**” shall have the meaning set forth in the first paragraph of this Agreement.

(b) (4)

“**Estimated Usage**” shall have the meaning set forth in Section 5.13(d).

(b) (4)

“**Excluded Permits**” shall mean any permits described in or arising under Sections 11.2 and/or 11.17 of the Amended and Restated Ground Lease.

“**Existing Assets**” means all of the improvements located on the real property described in Exhibits A-1, A-2, A-3, A-4, A-5, A-6, A-7, A-8, A-9, A-10, A-11 and A-12 as of the date

such improvements were acquired by the Company and which are not otherwise intended to be demolished during the applicable Development Period.

“Extraordinary Operating Expenses” shall have the meaning set forth in Section 5.04(c)(i).

“FAR” shall mean the Federal Acquisition Regulations.

“Fifth Amendment” means that certain Fifth Amendment to Fourth Amended and Restated Limited Liability Company Operating Agreement of Camp Pendleton & Quantico Housing, LLC dated as of December 15, 2011, between the Managing Member and the United States Member.

“Final Completion” means, (i) with respect to Phase IA, the point at which the Work has been completed in accordance with the terms and conditions of both the Initial Pendleton Design/Build Agreement and the Quantico Design/Build Agreement, including Punch List items, as certified by the applicable Phase IA Construction Consultant, (ii) with respect to Phase IB, the point at which the Work has been completed in accordance with the terms and conditions of the Phase IV/IB Design/Build Agreement, including Punch List items, as certified by the Phase IV/IB Construction Consultant, (iii) with respect to Phase II, the point at which the Work has been completed in accordance with the terms and conditions of the Phase II Design/Build Agreement, including Punch List items, as certified by the Phase II Construction Consultant, (iv) with respect to Phase III, the point at which the Work has been completed in accordance with the terms and conditions of the Phase III Design/Build Agreement, including Punch List items, as certified by the Phase III Twentynine Palms Construction Consultant and the Kansas City Construction Consultant (as applicable), (v) with respect to Phase IV, the point at which the Work has been completed in accordance with the terms and conditions of the Phase IV/IB Design/Build Agreement, including Punch List items, as certified by the Phase IV/IB Construction Consultant, (vi) with respect to Phase V, the point at which the Work has been completed in accordance with the terms and conditions of both the Phase V Pendleton Design/Build Agreement and the MCLB Albany Design/Build Agreement, including Punch List items, as certified by the applicable Phase V Construction Consultant, (vii) with respect to Phase VI and the Phase III O-6 Renovation Work, the point at which the Work has been completed in accordance with the terms and conditions of the Phase VI Design/Build Agreement, including Punch List items, as certified by the Phase VI Twentynine Palms Construction Consultant, the Phase VI Pendleton Construction Consultant and the Phase III O-6 Construction Consultant, as applicable, (viii) with respect to the Work under the Coleville Utility Upgrade Design/Build Agreement, the point at which the Work has been completed in accordance with the terms and conditions of the Coleville Utility Upgrade Design/Build Agreement, including Punch List items, as certified by the Construction Consultant for the Coleville Utility Upgrade Project, (ix) with respect to Phase VII, the point at which the Work has been completed in accordance with the terms and conditions of the Phase VII Design/Build Agreement, including Punch List items, as certified by the Phase VII Construction Consultant, (x) with respect to the Work under the AC Reno Design/Build Agreement, the point at which the Work has been completed in accordance with the terms and conditions of the AC Reno Design/Build Agreement, including Punch List items, as certified by the Construction Consultant for the AC Reno Project, (xi) with respect to the Work under the Kansas City Demo Design/Build Agreement, the point at which the Work has been completed in accordance with the terms and conditions of the Kansas City Demo Design/Build Agreement, including Punch List items, (xii) with respect to the Work under

the Phase VIII Design/Build Agreement, the point at which the Work has been completed in accordance with the terms and conditions of the Phase VIII Design/Build Agreement, including Punch List items, as certified by the Phase VIII Construction Consultant, and (xiii) with respect to any other Phase, the point at which the Work has been completed in accordance with the terms and conditions of the applicable Design/Build Agreement, including Punch List items, as certified by the Construction Consultant for such Phase.

(b) (4)

“**First Amendment**” means that certain First Amendment to Fourth Amended and Restated Limited Liability Company Operating Agreement of Camp Pendleton & Quantico Housing, LLC dated as of April 1, 2010, between the Managing Member and the United States Member.

“**First Mortgage Loan**” shall mean the Amended and Restated Initial First Mortgage Loan, as the same may be modified or refinanced from time to time with the approval of the United States Member and the Managing Member.

“**First Mortgage Loan Documents**” shall mean the Amended and Restated Initial First Mortgage Loan Documents, as the same may be modified from time to time with the approval of the United States Member and the Managing Member, or if refinanced, the documents evidencing and securing the refinanced First Mortgage Loan.

“**Force Majeure**” shall mean any delay in completing the work or performing any subject obligation which arises from causes beyond the reasonable control and without the fault or negligence of the Managing Member and/or Affiliates. Examples of such causes include:

- (i) Acts of God or of the public enemy;
- (ii) Acts of any Governmental Authority in either its sovereign or contractual capacity;
- (iii) Fires;
- (iv) Floods;
- (v) Epidemics;
- (vi) Quarantine restrictions;
- (vii) Strikes;
- (viii) Freight embargoes;
- (ix) Unusually severe weather; or
- (x) Delays of subcontractors or suppliers at any tier arising from causes beyond the reasonable control and without the fault or negligence of the Managing Member and/or its Affiliates.

“**Fourth Amendment**” means that certain Fourth Amendment to Fourth Amended and Restated Limited Liability Company Operating Agreement of Camp Pendleton & Quantico

Housing, LLC dated as of August 5, 2011, between the Managing Member and the United States Member.

“**Governmental Authority**” means any federal, state, local or other governmental, regulatory or administrative agency, taxing authority, commission, department, board, or other governmental subdivision, court, tribunal, arbitrating body or other governmental authority.

“**Gross Asset Value**” of any Contributed Properties contributed by a Member to the Company in connection with the execution of this Agreement means the Net Asset Value of such properties as set forth on the books of the Company increased by any liabilities either assumed by the Company upon the contribution of such properties or to which such properties are subject when contributed. The Gross Asset Value of any other Contributed Property means the fair market value of such property or other consideration at the time of contribution as determined by the Managing Member using such reasonable method of valuation as it may adopt. Subject to Exhibit B hereof, the Managing Member shall, in its sole and absolute discretion, use such method as it deems reasonable and appropriate to allocate the aggregate of the Gross Asset Value of Contributed Properties contributed in a single or integrated transaction among each separate property on a basis proportional to their fair market values.

(b) (4)

“**Gross Receipts**” means all receipts of the Company, including financing and re-financing proceeds, but excluding: (a) receipts from the sale of a Company Asset, (b) condemnation proceeds, and (c) insurance proceeds, other than business interruption insurance.

(b) (4)

(b) (4)

“**Operating Agreement**” shall mean the Amended and Restated Operating Agreement of the Managing Member dated as of October 1, 2004, as modified by that certain First Amendment to Amended and Restated Operating Agreement of the Managing Member dated as of September 1, 2005, that certain Second Amendment to Amended and Restated Operating Agreement of the Managing Member dated as of the October 2, 2006, that certain Third Amendment to Amended and Restated Operating Agreement of the Managing Member dated as of October 1, 2007, that certain Fourth Amendment to Amended and Restated Operating Agreement of the Managing Member dated as of January 15, 2010 and that certain Fifth Amendment to Amended and Restated Operating Agreement of the Managing Member dated as of August 31, 2010 by and among (b) (4).

“**Housing Office**” means the applicable military housing office for the Camp Pendleton, California area, the Yuma, Arizona area, the Quantico, Virginia area, the Twentynine Palms, California area, the Kansas City, Missouri area, or for the Albany, Georgia area, as applicable.

“**Housing Units**” means individual residential dwellings located within each Phase of the CPQ Project.

(b) (4)

(b)

(b) (4)

(b) (4)

(b) (4)

“**Initial Capital Contribution(s)**” shall mean each of, or collectively, the capital contributions described in Sections 2.02(a)(i) and 2.03(a).

“**Initial First Mortgage Loan**” shall have the meaning set forth in Section 5.02(c)(i).

“**Initial First Mortgage Loan Documents**” shall have the same meaning as in Section 5.02(c)(i).

“**Initial Pendleton Design/Build Agreement**” means the Pendleton Design/Build Agreement for the Initial Pendleton Project dated October 1, 2003, between the Managing Member and the Initial Pendleton Design/Builder, as assigned by the Managing Member to the Company, and as amended by that certain First Amendment to Pendleton Design/Build Agreement dated as of October 1, 2006, as further amended from time to time. A fully executed copy of the Initial Pendleton Design/Build Agreement, as amended, is attached hereto as Exhibit G-2.

“**Initial Pendleton Design/Builder**” shall mean (b) (4), a California limited liability company, its successors and assigns.

(b) (4)

“**Initial Pendleton Project**” shall mean the properties owned or leased by the Company in the San Diego County and Mono County, California regions and part of Phase IA of the CPQ Project, as more particularly described in Exhibit A-1a.

“**Initial Pendleton San Diego Project**” shall mean the properties owned or leased by the Company in the San Diego County, California region and part of Phase IA of the CPQ Project, as more particularly described in Exhibit A-1a.

“**Interest Rate Exchange Agreements**” shall have the meaning set forth in the Amended and Restated Indenture.

(b) (4)

“Kansas City Construction Consultant” means the independent architecture/engineering firm that is a party to the Kansas City Construction Consultant Agreement. The initial Kansas City Construction Consultant is Terracon Consultants, Inc., a Delaware corporation.

“Kansas City Construction Consultant Agreement” means the Kansas City Construction Consultant Agreement dated as of October 1, 2005 between the Company and the Kansas City Construction Consultant, as amended from time to time.

(b) (4)

“Kansas City Demo Design/Build Agreement” means the Design/Build Agreement (MARFORRES Kansas City – Demolition) dated as of August 28, 2013, between the Company and the Kansas City Demo Design/Builder, as amended and modified from time to time. A fully executed copy of the Kansas City Demo Design/Build Agreement is attached hereto as Exhibit G-16.

(b) (4)

“Kansas City Demo Design/Builder” means (b) (4)

(b) (4)

“Kansas City Demo Project” shall mean the demolition of certain buildings and associated improvements being performed at MARFORRES Kansas City pursuant to the Kansas City Demo Design/Build Agreement.

“Kansas City Divestiture Property” means certain land owned by the Company in the Kansas City, Missouri region and part of the Phase III Project, as more particularly identified and described in Exhibit A-5, together with any improvements located thereon.

“Kansas City Early Termination Property” means certain land that was initially leased and then acquired by the Company in the Kansas City, Missouri region and part of the Phase III Project, as more particularly identified and described in Exhibit A-5, together with any improvements located thereon.

“Kansas City Project” means the properties owned and leased by the Company in the Kansas City, Missouri region and part of the Phase III Project, as more particularly described in Exhibit A-5.

“Kansas City Scope Compliance Agreement” means the Kansas City Scope Compliance Agreement dated as of October 1, 2005 between the Company and the Kansas City Scope Compliance Consultant, as amended from time to time.

“Kansas City Scope Compliance Consultant” means the independent architecture/engineering firm that is a party to the Kansas City Scope Compliance Agreement. The initial Kansas City Scope Compliance Consultant is TTG.

“Land Use Restriction Agreement(s)” has the meaning set forth in Section 5.02(h).

(b) (4) shall mean Lincoln Property Company No. 2087 Limited Partnership.

(b) (4) shall mean Lincoln Property Company No. 2088 Limited Partnership.

“Liquidator” shall have the meaning set forth in Section 6.02(c).

(b) (4)

“Low Benchmark” shall have the meaning set forth in Section 5.12(d)(i).

“MCLB Albany Code Compliance Consultant” shall mean

(b) (4)

“MCLB Albany Code Compliance Agreement” shall mean that certain MCLB Albany Code Compliance Agreement dated as of October 1, 2007 by and between and the MCLB Albany Code Compliance Consultant, as amended from time to time.

“MCLB Albany Construction Consultant” shall mean (b) (4)

“MCLB Albany Construction Consultant Agreement” shall mean that certain MCLB Albany Construction Consultant Agreement dated as of October 1, 2007 by and between the Company and the MCLB Albany Construction Consultant, as amended from time to time.

“MCLB Albany Design/Build Agreement” means the Design/Build Agreement for the Albany Project dated as of the Phase V Closing Date, between the Company and the Albany Design/Builder, as amended from time to time. A fully executed copy of the MCLB Albany Design/Build Agreement, as amended, is attached hereto as Exhibit G-7.

(b) (4)

“Make Ready Portion” shall have the meaning set forth in the Amended and Restated Asset Management Agreement.

“Management Plan” shall have the meaning set forth in the Property Management Agreements.

“Managing Member” shall mean Hunt Lincoln Clark Family Communities LLC, its successors and assigns.

“Managing Member Event(s) of Default” shall have the meaning set forth in Section 6.01(a).

“Material Adverse Effect” shall mean any change (or changes taken together) in, or effect on, the Company Assets or the Existing Assets (including the operations or condition (financial or otherwise) thereof) that is materially adverse to the value of the CPQ Project, other

than any change (or changes taken together) generally affecting the local or national residential real estate industry as a whole.

“**Member**” shall have the meaning set forth in the opening paragraph of this Agreement.

“**Member Minimum Gain**” means an amount, with respect to each Member Nonrecourse Debt, equal to the Member Minimum Gain that would result if such Member Nonrecourse Debt were treated as a Nonrecourse Liability, determined in accordance with Regulations Section 1.704-2(i)(3).

“**Member Nonrecourse Debt**” means “partner nonrecourse debt” as defined in Regulations Section 1.704-2(b)(4).

“**Member Nonrecourse Deductions**” means “partner nonrecourse deductions” as defined in Regulations Section 1.704-2(i)(2), and the amount of Member Nonrecourse Deductions with respect to a Member Nonrecourse Debt for a fiscal year shall be determined in accordance with the rules of Regulations Section 1.704-2(i)(2).

“**Membership Interest**” means any and all interest of a Member in the Company, including the right to receive distributions and any other rights of such Member under this Agreement.

“**Military Family**” means an active duty military tenant with [REDACTED] active reserve duty tenant with dependents.

“**Military Housing Privatization Initiative**” shall have the meaning set forth in the recitals of this Agreement.

“**Military Rental Rate**” shall have the meaning set forth in Section 5.13(c).

“**Military Tenant**” means a tenant who is either a Military Family or a Bachelor.

“**Military Unit**” means a Housing Unit leased by a Military Tenant.

“**Net Asset Value**” of any Contributed Properties contributed by a Member to the Company in connection with the execution of this Agreement means the net asset value of such properties as set forth on the books of the Company. The Net Asset Value of any other Contributed Property means the Gross Asset Value of such property as of the time of its contribution to the Company, reduced by any liabilities either assumed by the Company upon such contribution or to which such property is subject when contributed.

“**Net Income**” means, for any taxable period, the excess, if any, of the Company’s items of income and gain for such taxable period over the Company’s items of loss and deduction for such taxable period. The items included in the calculation of Net Income shall be determined in accordance with Exhibit B. Once an item of income, gain, loss or deduction that has been included in the initial computation of Net Income is subjected to the special allocation rules in Exhibit C, Net Income or the resulting Net Loss, whichever the case may be, shall be recomputed without regard to such item.

“**Net Loss**” means, for any taxable period, the excess, if any, of the Company’s items of loss and deduction for such taxable period over the Company’s items of income and gain for such taxable period. The items included in the calculation of Net Loss shall be determined in accordance with Exhibit B. Once an item of income, gain, loss or deduction that has been included in the initial computation of Net Loss is subjected to the special allocation rules in

Exhibit C, Net Loss or the resulting Net Income, whichever the case may be, shall be recomputed without regard to such items.

(b) (4)

“Non-Controllable Expenses” means expenses that are not subject to the control of the Managing Member, including, without limitation, utilities, municipal services, real estate taxes and insurance.

“Non-Demolition Scope of Work” shall have the meaning set forth in the Phase VIII Design/Build Agreement.

“Nonrecourse Built-in Gain” means, with respect to any Contributed Properties or Adjusted Properties that are subject to a mortgage or negative pledge securing a Nonrecourse Liability, the amount of any taxable gain that would be allocated to the Members pursuant to Section 2.B of Exhibit C if such properties were disposed of in a taxable transaction in full satisfaction of such liabilities and for no other consideration.

“Nonrecourse Deductions” has the meaning set forth in Regulations Section 1.704-2(b)(1), and the amount of Nonrecourse Deductions for a fiscal year shall be determined in accordance with the rules of Regulations Section 1.704-2(c).

“Nonrecourse Liability” has the meaning set forth in Regulations Section 1.752-1(a)(2).

“Normal Utility Deduction” shall have the meaning set forth in Section 5.13(d).

“Offer” shall mean, collectively, the Phase I Offer, the Phase II Offer, the Phase III Offer, the Phase IV Offer, the Phase V Offer, the Phase VI Offer, the Phase VII Offer and the Phase VIII Offer.

“Omnibus Assignment” shall have the meaning set forth in Section 5.07(i).

(b) (4)

(b) (4)

(b) (4)

“Operations Period” means (i) with respect to Phase IA, the period beginning immediately after the end of the Development Period for Phase IA and continuing until termination of the Company, (ii) with respect to Phase IB, the period beginning immediately after the end of the Development Period for Phase IB and continuing until termination of the Company, (iii) with respect to Phase II, the period beginning immediately after the end of the Development Period for Phase II and continuing until termination of the Company, (iv) with respect to Phase III, the period beginning after the end of the Development Period for Phase III and continuing until the termination of the Company, (v) with respect to Phase IV, the period

beginning immediately after the end of the Development Period for Phase IV and continuing until termination of the Company, (vi) with respect to Phase V, the period beginning immediately after the end of the Development Period for Phase V and continuing until termination of the Company, (vii) with respect to Phase VI, the period beginning immediately after the end of the Development Period for Phase VI and continuing until termination of the Company, (viii) with respect to Phase VII, the period beginning immediately after the end of the Development Period for Phase VII and continuing until termination of the Company, (ix) with respect to Phase VIII, the period beginning immediately after the end of the Development Period for Phase VIII and continuing until termination of the Company, and (x) with respect to any other Phase, the period beginning immediately after the end of the Development Period for such Phase and continuing until termination of the Company.

“Original Agreement” shall have the meaning set forth in the second opening paragraph of this Agreement.

“Original Asset Management Agreement” shall mean the Asset Management Agreement dated as of October 1, 2003, between the Managing Member and the Asset Manager, as assigned by the Managing Member to the Company.

“Original Ground Lease” shall have the meaning set forth in Section 5.07(g).

“Original Indenture” means the Indenture of Trust dated as of October 1, 2003 between the Company, (b) (4), which was amended and superseded by the Amended and Restated Indenture.

“Pacific View Additional Land (2015) Premises” shall have the meaning set forth in the Amended and Restated Ground Lease.

“Pertinent Phase” shall have the meaning set forth in Section 4.03.

“Pendleton Project” shall mean, individually or collectively, as applicable, the Initial Pendleton San Diego Project, the Additional Pendleton Project, the Phase IV Project, the Phase V Pendleton Project, the Phase VI Pendleton Project and the Phase VIII Project.

“Pendleton Property Manager” shall mean LPC Pendleton Quantico PM LP, a Delaware limited partnership, its successors and assigns.

“Phase(s)” shall have the meaning set forth in the second opening paragraph of this Agreement.

“Phase I” shall mean the portion of the CPQ Project that includes the Phase IA Project and the Phase IB Project.

“Phase I Closing Date” shall have the meaning set forth in the recitals.

“Phase I Offer” shall have the meaning set forth in the recitals.

“Phase I Property” shall mean, collectively, the Phase IA Property and the Phase IB Property.

“Phase I RFP” shall have the meaning set forth in the recitals.

“Phase IA” shall mean the portion of the CPQ Project that includes the Initial Pendleton Project and the Quantico Project.

“Phase IA Code Compliance Agreement(s)” shall mean each of, or collectively, the Code Compliance Agreements for the Initial Pendleton Project and the Quantico Project, copies of which are attached hereto as Exhibits T-1, T-2, and T-3, respectively, as amended from time to time.

“Phase IA Code Compliance Consultant(s)” shall mean the independent code compliance and plan reviewers who are parties to one or more of the Phase IA Code Compliance Agreements.

“Phase IA Construction Consultant(s)” shall mean the independent architecture/engineering firm(s) who are parties to one or more of the Phase IA Construction Consultant Agreements.

“Phase IA Construction Consultant Agreement(s)” shall mean each of, or collectively, the Construction Consultant Agreements for the Initial Pendleton Project and the Quantico Project, copies of which are attached hereto as Exhibits R-1 and R-2, respectively, as amended from time to time.

(b) (4)

“Phase IA Design/Build Agreement(s)” shall mean each of, or collectively, the Initial Pendleton Design/Build Agreement and the Quantico Design/Build Agreement.

(b) (4)

“Phase IA Design/Builder(s)” shall mean each of, or collectively, the Initial Pendleton Design/Builder and the Quantico Design/Builder.

(b) (4)

(b) (4)

(b) (4)

(b) (4)

“Phase IA Project” means, collectively, the Initial Pendleton Project and the Quantico Project.

“Phase IA Property” shall mean, collectively, the sites in the Camp Pendleton, California and Quantico, Virginia regions, more particularly described on Exhibit A-1a and Exhibit A-2, respectively, attached hereto.

(b) (4)

“Phase IB” shall mean the portion of the CPQ Project that includes the Phase IB Project.

(b) (4)

“Phase IB Project” shall mean the properties owned or leased by the Company in the San Diego County, California regions and part of Phase IB of the CPQ Project, as more particularly described in Exhibit A-1b.

“Phase IB Property” shall mean the sites in the Camp Pendleton, California region, more particularly described on Exhibit A-1b, attached hereto.

“Phase II” shall mean the portion of the CPQ Project that includes the Additional Pendleton Project and the Yuma Project.

“Phase II Capital Contribution(s)” shall have the meaning set forth in Section 2.01(b).

“Phase II Closing Date” shall have the meaning set forth in the recitals of this Agreement.

“Phase II Code Compliance Agreement” shall mean that certain Phase II Code Compliance Agreement dated as of October 1, 2004 by and between the Company and the Phase II Code Compliance Consultant.

“Phase II Code Compliance Consultant” shall mean (b) (4)

“Phase II Construction Consultant” shall mean (b) (4)

“Phase II Construction Consultant Agreement” shall mean that certain Phase II Construction Consultant Agreement dated as of October 1, 2004 by and between the Company and the Phase II Construction Consultant.

(b) (4)

“Phase II Design/Build Agreement” means the Phase II Design/Build Agreement for the Yuma Project dated October 1, 2004, between the Company and the Phase II Design/Builder, as amended by that certain First Amendment to Phase II Design/Build Agreement dated as of October 1, 2006, as further amended from time to time. A fully executed copy of the Phase II Design/Build Agreement, as amended, is attached hereto as Exhibit G-3.

(b) (4)

“Phase II Design/Builder” means (b) (4)

(b) (4)

“**Phase II Development Management Agreement**” shall have the meaning set forth in Section 5.07(f)(ii).

“**Phase II Ground Lease**” shall have the meaning set forth in Section 5.07(g).

“**Phase II Offer**” shall have the meaning set forth in the recitals.

(b) (4)

(b) (4)

(b) (4)

“**Phase II Property**” shall mean, collectively, the sites in the Camp Pendleton, California region and the Yuma, Arizona region, more particularly described in Exhibit A-3 and Exhibit A-4, respectively, attached hereto.

(b) (4)

“**Phase II RFP**” shall have the meaning set forth in the recitals.

“**Phase III**” means the portion of the CPQ Project that consists of the Phase III Twentynine Palms Project and the Kansas City Project.

“**Phase III Capital Contribution**” shall have the meaning set forth in Section 2.01(b).

“**Phase III Closing Date**” shall have the meaning set forth in recitals of this Agreement.

“**Phase III Construction Consultant Agreement**” shall mean, as applicable, the Kansas City Construction Consultant Agreement and the Phase III Twentynine Palms Construction Consultant Agreement.

(b) (4)

“**Phase III Design/Build Agreement**” means the Phase III Design/Build Agreement for the Phase III Project dated October 1, 2005, between the Company and the Phase III Design/Builder, as amended from time to time. A fully executed copy of the Phase III Design/Build Agreement is attached hereto as Exhibit G-4.

(b) (4)

“Phase III Design/Builder” means (b) (4)

“(b) (4)

(b) (4)

“Phase III Development Management Agreement” shall have the meaning set forth in Section 5.07(f)(ii).

(b) (4)

“Phase III Ground Lease” shall have the meaning set forth in Section 5.07(g).

“Phase III O-6 Code Compliance Agreement” shall mean that certain Code Compliance Agreement (O-6 Renovation Site) dated as of January 15, 2010 by and between the Company and the Phase III O-6 Code Compliance Consultant, as amended from time to time.

“Phase III O-6 Code Compliance Consultant” means the independent code compliance and plan reviewer that is a party to the Phase III O-6 Code Compliance Agreement. The initial Phase III O-6 Code Compliance Consultant is TTG.

“Phase III O-6 Construction Consultant” means the independent architecture/engineering firm that is a party to the Phase III O-6 (b) (4) ltant Agreement. The initial Phase III O-6 Construction Consultant is TTG.

“Phase III O-6 Construction Consultant Agreement” shall mean that certain Construction Consultant Agreement (O-6 Renovation Site) dated as of January 15, 2010, by and between the Company and the Phase III O-6 Construction Consultant, as amended from time to time.

“Phase III O-6 Renovation Work” shall mean all labor, materials and services required to be performed or provided by the Phase VI Design/Builder with respect to the Phase III O-6 Sites pursuant to the Phase VI Design/Build Agreement.

“Phase III O-6 Sites” shall mean, collectively, the five (5) housing units located at 3063, 3065, 3067, 3069 and 3071 Lejeune Circle, Twentynine Palms, California 92277.

“Phase III Offer” has the meaning set forth in the recitals.

(b) (4)

(b) (4)

(b) (4)

“Phase III Project” means, collectively, the Kansas City Project and the Phase III Twentynine Palms Project.

“Phase III Property” shall mean, collectively, the sites in the Twentynine Palms, California region and the Kansas City, Missouri region, more particularly described in Exhibit A-5, attached hereto.

(b) (4)

“Phase III RFP” has the meaning set forth in the recitals.

“Phase III Twentynine Palms Code Compliance Agreement” means the Twentynine Palms Code Compliance Agreement dated as of October 1, 2005 between the Company and the Phase III Twentynine Palms Code Compliance Consultant, as amended from time to time.

“Phase III Twentynine Palms Code Compliance Consultant” shall mean TTG.

“Phase III Twentynine Palms Construction Consultant” shall mean TTG.

“Phase III Twentynine Palms Construction Consultant Agreement” means the Twentynine Palms Construction Consultant Agreement dated as of October 1, 2005 between the Company and the Phase III Twentynine Palms Construction Consultant, as amended from time to time.

“Phase III Twentynine Palms Project” means the properties owned and leased by the Company in the Twentynine Palms, California region and part of Phase III of the CPQ Project, as more particularly described in Exhibit A-5.

“Phase IV” means the portion of the CPQ Project that consists of the Phase IV Project.

“Phase IV Capital Contribution” has the meaning set forth in Section 2.01(b).

“Phase IV Closing Date” shall have the meaning set forth in recitals of this Agreement.

“Phase IV Development Management Agreement” shall have the meaning set forth in Section 5.07(f)(ii).

“Phase IV Ground Lease” shall have the meaning set forth in Section 5.07(g).

“Phase IV Offer” has the meaning set forth in the recitals.

“Phase IV Project” means the properties owned and leased by the Company in the Camp Pendleton, California region and part of Phase IV of the CPQ Project, as more particularly described in Exhibit A-6.

“Phase IV Property” shall mean, collectively, the sites in the Camp Pendleton, California region, more particularly described in Exhibit A-6, attached hereto.

“Phase IV RFP” has the meaning set forth in the recitals.

“Phase IV/IB” means, collectively, Phase IV and Phase IB.

“Phase IV/IB Code Compliance Consultant” shall mean (b) (4) as successor in interest to (b) (4).

“Phase IV/IB Code Compliance Agreement” shall mean that certain Phase IV/IB Code Compliance Agreement dated as of October 1, 2006 by and between the Company and the Phase IV/IB Code Compliance Consultant.

“Phase IV/IB Construction Consultant” shall mean (b) (4)

“Phase IV/IB Construction Consultant Agreement” shall mean that certain Phase IV/IB Construction Consultant Agreement dated as of October 1, 2006 by and between the Company and the Phase IV/IB Construction Consultant.

(b) (4)

“Phase IV/IB Design/Build Agreement” means the Phase IV/IB Design/Build Agreement dated October 1, 2006, between the Company and the Phase IV/IB Design Builder, as amended from time to time. A fully executed copy of the Phase IV/IB Design/Build Agreement is attached hereto as Exhibit G-5.

(b) (4)

“Phase IV/IB Design/Builder” means (b) (4)

(b) (4)

(b) (4)

(b) (4)

(b) (4)

(b) (4)

(b) (4)

“Phase IV/IB Project” means, collectively, the Phase IV Project and the Phase IB Project.

“Phase V” shall mean the portion of the CPQ Project that includes the Phase V Pendleton Project and the Albany Project.

“Phase V Capital Contribution” has the meaning set forth in Section 2.01(b).

“Phase V Closing Date” shall have the meaning set forth in recitals of this Agreement.

“Phase V Construction Consultants” shall mean, as applicable, the Phase V Pendleton Construction Consultant and the MCLB Albany Construction Consultant.

“Phase V Construction Consultant Agreements” shall mean, as applicable, the Phase V Pendleton Construction Consultant Agreement and the MCLB Albany Construction Consultant Agreement.

(b) (4)

“Phase V Design/Build Agreement(s)” shall mean each of, or collectively, the Phase V Pendleton Design/Build Agreement and the MCLB Albany Design/Build Agreement.

(b) (4)

“Phase V Design/Builder(s)” shall mean each of, or collectively, the Phase V Pendleton Design/Builder and the Albany Design/Builder.

(b) (4)

(b) (4)

(b) (4)

“Phase V Ground Lease” shall have the meaning set forth in Section 5.07(g).

“Phase V IFP” shall have the meaning set forth in the recitals.

“Phase V Offer” shall have the meaning set forth in the recitals.

(b) (4)

“Phase V Pendleton Code Compliance Agreement” shall mean that certain Phase V Pendleton Code Compliance Agreement dated as of October 1, 2007 by and between the Company and the Phase V Pendleton Code Compliance Consultant.

“Phase V Pendleton Code Compliance Consultant” shall mean (b) (4).

“Phase V Pendleton Construction Consultant” shall mean (b) (4).

“Phase V Pendleton Construction Consultant Agreement” shall mean that certain Phase V Pendleton Construction Consultant Agreement dated as of October 1, 2007 by and between the Company and the Phase V Pendleton Construction Consultant.

“Phase V Pendleton Design/Build Agreement” means the Design/Build Agreement for the Phase V Pendleton Project dated as of the Phase V Closing Date, between the Company and the Phase V Pendleton Design Builder, as amended from time to time. A fully executed copy of the Phase V Pendleton Design/Build Agreement is attached hereto as Exhibit G-6.

“Phase V Pendleton Design/Builder” means Hunt Pendleton Design/Builders, LLC, a California limited liability company.

(b) (4)

“Phase V Pendleton Project” means the properties owned and leased by the Company in the Camp Pendleton, California region and part of the Phase V Project, as more particularly described in Exhibit A-7.

“Phase V Project” means, collectively, the Phase V Pendleton Project and the Albany Project.

“Phase V Property” shall mean, collectively, the sites in the Camp Pendleton, California region and the Albany, Georgia region, more particularly described in Exhibit A-7 and Exhibit A-8, respectively, attached hereto.

(b) (4)

“Phase V San Mateo Point Premises” shall have the meaning set forth in the Amended and Restated Ground Lease.

“Phase VI” means the portion of the CPQ Project that consists of the Phase VI Twentynine Palms Project and the Phase VI Pendleton Project.

“Phase VI Amended Ground Lease” has the meaning set forth in Section 5.07(g).

(b) (4)

“Phase VI Closing Date” shall have the meaning set forth in recitals of this Agreement.

(b) (4)

“Phase VI Design/Build Agreement” shall mean the Phase VI Design/Build Agreement dated as of January 15, 2010, between the Company and the Phase VI Design/Builder, as amended from time to time. A fully executed copy of the Phase VI Pendleton Design/Build Agreement, as amended, is attached hereto as Exhibit G-11.

(b) (4)

“Phase VI Design/Builder” means

(b) (4)

(b) (4)

(b) (4)

“**Phase VI IFP**” shall have the meaning set forth in the recitals.

“**Phase VI Ground Lease**” shall have the meaning set forth in Section 5.07(g).

“**Phase VI Offer**” has the meaning set forth in the recitals.

(b) (4)

“**Phase VI Pendleton Code Compliance Agreement**” shall [REDACTED] Code Compliance Agreement (Phase VI Stuart Mesa Site) dated as of January 15, 2010, by and between the Company and the Phase VI Pendleton Code Compliance Consultant, as amended from time to time.

“**Phase VI Pendleton Code Compliance Consultant**” shall mean (b) [REDACTED].

“**Phase VI Pendleton Construction Consultant**” shall mean (b) [REDACTED].

“**Phase VI Pendleton Construction Consultant Agreement**” shall mean that certain Construction Consultant Agreement (Phase VI Stuart Mesa Site) dated as of January 15, 2010, by and between the Company and the Phase VI Pendleton Construction Consultant, as amended from time to time.

“**Phase VI Pendleton Project**” means the properties owned and leased by the Company in the Camp Pendleton, California region and part of the Phase VI Project, as more particularly described in Exhibit A-10.

“**Phase VI Project**” means, collectively, the Phase VI Pendleton Project and the Phase VI Twentynine Palms Project.

“**Phase VI Property**” shall mean, collectively, the sites in the Twentynine Palms, California region and the Camp Pendleton, California region, more particularly described in Exhibit A-9 and Exhibit A-10 attached hereto.

(b) (4)

“**Phase VI Twentynine Palms Code Compliance Agreement**” shall mean that certain Code Compliance Agreement (Marine Palms New Build Site) dated as of January 15, 2010, by and between the Company and the Phase VI Twentynine Palms Code Compliance Consultant, as amended from time to time.

“Phase VI Twentynine Palms Code Compliance Consultant” shall mean (b) (4).

“Phase VI Twentynine Palms Construction Consultant” shall mean (b) (4).

“Phase VI Twentynine Palms Construction Consultant Agreement” shall mean that certain Construction Consultant Agreement (Marine Palms New Build Site) dated as of January 15, 2010, by and between the Company and the Phase VI Twentynine Palms Construction Consultant, as amended from time to time.

“Phase VI Twentynine Palms Project” means the properties owned and leased by the Company in the Twentynine Palms, California region and part of Phase VI of the CPQ Project, as more particularly described in Exhibit A-9.

“Phase VII” means the portion of the CPQ Project that consists of the Phase VII Project.

“Phase VII Capital Contribution” has the meaning set forth in Section 2.01(b).

“Phase VII Closing Date” shall mean September 30, 2010.

“Phase VII Construction Consultant” shall mean TTG.

“Phase VII Construction Consultant Agreements” shall mean individually and collectively, (1) that certain Construction Consultant Agreement (Vista Del Sol) dated as of April 8, 2011, by and between the Company and the Phase VII Construction Consultant, as amended from time to time and (2) that certain Construction Consultant Agreement (VDS Community Center and Related Improvements) dated as of December 15, 2011 by and between the Company and the Phase VII Construction Consultant, as amended from time to time.

(b) (4)

“Phase VII Design/Build Agreement” shall mean that certain Vista Del Sol Design/Build Agreement dated as of February 23, 2011, between the Company and the Phase VII Design/Builder, as amended from time to time, as modified by that certain Modification #1 to Vista Del Sol Design/Build Agreement dated as of April 8, 2011, as modified by that certain Modification #2 to Vista Del Sol Design/Build Agreement dated as of December 15, 2011, as modified by that certain Modification #3 to Vista Del Sol Design/Build Agreement dated as of April 11, 2014. A fully executed copy of the Phase VII Design/Build Agreement is attached hereto as Exhibit G-13.

(b) (4)

(b) (4)

(b) (4)

(b) (4)

(b) (4)

(b) (4)

“**Phase VIII Construction Consultant**” shall mean (b) (4)

“**Phase VIII Construction Consultant Agreement**” shall mean that certain Construction Consultant Agreement (Phase VIII Stuart Mesa Site) dated as of the Phase VIII Closing Date, by and between the Company and the Phase VIII Construction Consultant, as amended from time to time.

“**Phase VIII Code Compliance Agreement**” has the meaning set forth in Section 5.07(c)(ii).

“**Phase VIII Code Compliance Consultant**” has the meaning set forth in Section 5.07(c)(ii).

“**Phase VIII Construction Consultant**” has the meaning set forth in Section 5.07(b)(ii).

“**Phase VIII Construction Consultant Agreement**” has the meaning set forth in Section 5.07(b)(ii).

(b) (4)

“**Phase VIII Design/Build Agreement**” shall mean the Phase VIII Design/Build Agreement dated as of the Phase VIII Closing Date, between the Company and the Phase VIII Design/Builder, as amended from time to time. A fully executed c (b) (4) VIII Design/Build Agreement, as amended, is attached hereto as Exhibit G-17.

(b) (4)

“**Phase VIII Design/Builder**” means (b) (4)

(b) (4)

(b) (4)

“**Phase VIII IFP**” shall have the meaning set forth in the recitals.

“**Phase VIII IDP End Date**” shall have the meaning set forth in Section 5.05(k)(i).

“**Phase VIII NOI**” has the meaning set forth in Section 5.05(k)(i)(D).

“**Phase VIII Offer**” has the meaning set forth in the recitals.

“**Phase VIII Project**” means the properties owned and leased by the Company in the Camp Pendleton, California region, as more particularly described in Exhibit A-12.

“**Phase VIII Property**” shall mean the sites in the Camp Pendleton, California region, more particularly described in Exhibit A-12 attached hereto.

(b) (4)

“**Preferred Referrals**” means (a) Military Tenants and (b) other prospective tenants of the Housing Units who are not Military Tenants, and are designated under the applicable Management Plan as having a preferential right to lease the Housing Units.

(b) (4)

“**Property Management Agreement(s)**” shall mean each of, or collectively, the Quantico Property Management Agreement and the Amended and Restated Pendleton Property Management Agreement.

(b) (4)

“**Property Manager(s)**” shall mean each of, or collectively, the Pendleton Property Manager and the Quantico Property Manager.

“**Punch List**” shall mean those minor items of Work to be completed after Substantial Completion and prior to Final Completion, which do not prevent the applicable Phase of the CPQ Project from being used for the purpose for which it is intended and which will not prevent the issuance of a certificate of occupancy.

“**Qualified Make Ready Units**” shall have the meaning set forth in Exhibit B to the Amended and Restated Asset Management Agreement.

“**Qualified Service Requests**” shall have the meaning set forth in Exhibit B to the Amended and Restated Asset Management Agreement.

(b) (4)

“**Quantico Design/Build Agreement**” means the Quantico Design/Build Agreement for the Quantico Project dated October 1, 2003, between the Managing Member and the Quantico Design/Builder, as assigned by the Managing Member to the Company, and as amended by that certain First Amendment to Quantico Design/Build Agreement dated as of October 1, 2006, as further amended from time to time. A fully executed copy of the Quantico Design/Build Agreement, as amended, is attached hereto as Exhibit G-1.

“**Quantico Design/Builder**” shall mean (b) (4)

(b) (4)

“**Quantico Project**” shall mean the properties owned or leased by the Company in the Quantico, Virginia region and part of Phase IA of the CPQ Project, as more particularly described in Exhibit A-2.

(b) (4) shall mean (b) (4), its successors and assigns.

“**Quantico Property Management Agreement**” shall have the meaning set forth in Section 5.07(d)(i).

“**Radon Condition**” shall have the meaning set forth in the Amended and Restated Ground Lease.

“Recapture Income” means any gain recognized by the Company (computed without regard to any adjustment required by Section 734 or Section 743 of the Code) upon the disposition of any property or asset of the Company, which gain is characterized as ordinary income because it represents the recapture of deductions previously taken with respect to such property or asset.

“Reconciliation” shall have the meaning set forth in Section 5.03(b).

“Regulations” means the income tax regulations promulgated under the Code, as such regulations may be amended from time to time (including corresponding provisions of succeeding regulations).

“Regulatory Allocations” has the meaning set forth in Section 1.H of Exhibit C hereof.

“Release Parcels (2012)” shall have the meaning set forth in that certain Third Amendment to Fourth Amended and Restated Real Estate Ground Lease and Partial Termination of Lease dated as of the Sixth Amendment Effective Date.

“Release Parcels (2015)” shall have the meaning set forth in that certain Fourth Amendment to Fourth Amended and Restated Real Estate Ground Lease and Partial Termination of Lease dated as of March 31, 2015.

“Resident Satisfaction Surveys” means the surveys tabulate [REDACTED] e by (b) (4) [REDACTED] or its successor pursuant to the Amended and Restated Asset Management Agreement.

“Residual Gain” or **“Residual Loss”** means any item of gain or loss, as the case may be, of the Company recognized for federal income tax purposes resulting from a sale, exchange or other disposition of Contributed Property or Adjusted Property, to the extent such item of gain or loss is not allocable pursuant to Section 2.B.1(a) or 2.B.2(a) of Exhibit C to eliminate Book-Tax Disparities.

“RFP” shall mean, collectively, the Phase I RFP, the Phase II RFP, the Phase III RFP, the Phase IV RFP, the Phase V IFP, the Phase VI IFP, the Phase VII IFP and the Phase VIII IFP.

(b) (4) [REDACTED]
[REDACTED]

“San Onofre III Premises” has the meaning set forth in the Amended and Restated Ground Lease.

(b) (4) [REDACTED]
[REDACTED].

“Services” has the meaning set forth in Section 5.10(a).

“Seventh Amendment” means that certain Seventh Amendment to Fourth Amended and Restated Limited Liability Company Operating Agreement of Camp Pendleton & Quantico Housing, LLC, dated as of August 28, 2013, between the Managing Member and the United States Member.

(b) (4) [REDACTED]
[REDACTED]

and the United States Member.

“Sixth Amendment Effective Date” shall mean December 14, 2012.

(b) (4)

15 to the Amended and Restated Ground Lease.

(b) (4)

Ground Lease.

in the Amended and Restated Ground Lease.

“Stuart Mesa Additional Parcels (SMAP) Premises Commencement Date” shall have the meaning set forth in the Amended and Restated Ground Lease.

“Substantial Completion” shall mean, (i) with respect to Phase IA, the stage in the progress of the Work when the Work or designated portion thereof is sufficiently complete, with the exception of Punch List items, in accordance with the Phase IA Design/Build Agreements so that it may be used by the Company for its intended purpose, (ii) with respect to Phase IB, the stage in the progress of the Work when the Work or designated portion thereof is sufficiently complete, with the exception of Punch List items, in accordance with the Phase IV/IB Design/Build Agreement so that it may be used by the Company for its intended purposes, (iii) with respect to Phase II, the stage in the progress of the Work when the Work or designated portion thereof is sufficiently complete, with the exception of Punch List items, in accordance with the Phase II Design/Build Agreement so that it may be used by the Company for its intended purposes, (iv) with respect to Phase III, the stage in the progress of the Work when the Work or designated portion thereof is sufficiently complete, with the exception of Punch List items, in accordance with the Phase III Design/Build Agreement so that it may be used by the Company for its intended purposes, (v) with respect to Phase IV, the stage in the progress of the Work when the Work or designated portion thereof is sufficiently complete, with the exception of Punch List items, in accordance with the Phase IV/IB Design/Build Agreement so that it may be used by the Company for its intended purposes, (vi) with respect to Phase V, the stage in the progress of the Work when the Work or designated portion thereof is sufficiently complete, with the exception of Punch List items, in accordance with the Phase V Design/Build Agreements so that it may be used by the Company for its intended purposes, (vii) with respect to Phase VI, the stage in the progress of the Work when the Work or designated portion thereof is sufficiently complete, with the exception of Punch List items, in accordance with the Phase VI Design/Build Agreement so that it may be used by the Company for its intended purposes, (viii) with respect to the Work under the Coleville Utility Upgrade Design/Build Agreement, the stage in the progress of the Work when the Work or designated portion thereof is sufficiently complete, with the exception of Punch List items, in accordance with the Coleville Utility Upgrade Design/Build Agreement so that it may be used by the Company for its intended purposes, (ix) with respect to the Work under the Phase VII Design/Build Agreement, the stage in the progress of the Work when the Work or designated portion thereof is sufficiently complete, with the exception of Punch List items, in accordance with the Phase VII Design/Build Agreement so that it may be used by the Company for its intended purposes, (x) with respect to the Work under the AC Reno Design/Build Agreement, the stage in the progress of the Work when the Work or designated portion thereof is sufficiently complete, with the exception of Punch List items, in accordance with the AC Reno Design/Build Agreement so that it may be used by the Company for its intended purposes, (xi) with respect to the Work under the Kansas City Demo Design/Build Agreement, the stage in the progress of the Work when the Work or designated portion thereof is sufficiently complete, with the exception of Punch List items, in accordance with the Kansas City Demo Design/Build Agreement so that it may be used by the Company for its intended purposes, (xii) with respect to the Work under the Phase VIII Design/Build Agreement, the stage in the progress of the Work when the Work or designated portion thereof is sufficiently complete, with the exception of Punch List items, in accordance with the Phase VIII Design/Build Agreement so that it may be used by the Company for its intended purposes and a Certificate of Substantial Completion (as defined in the Phase VIII Design/Build Agreement) has been executed by the Company, the Design/Builder and the Phase VIII Construction Consultant ,

(xiii) with respect to any other Phase, the stage in the progress of the Work when the Work or designated portion thereof is sufficiently complete, with the exception of Punch List items, in accordance with the Design/Build Agreement applicable to such Phase so that it may be used by the Company for its intended purposes. The completion Schedule (as defined in the Phase IA Design/Build Agreements, the Phase II Design/Build Agreement, the Phase III Design/Build Agreement, the Phase IV/IB Design/Build Agreement, the Phase V Design/Build Agreements, the Phase VI Design/Build Agreement, the Coleville Utility Upgrade Design/Build Agreement, the Phase VII Design/Build Agreement, the AC Reno Design/Build Agreement, the Kansas City Demo Design/Build Agreement, the Phase VIII Design/Build Agreement and any such additional Design/Build Agreement for another Phase) may set forth a number of dates of Substantial Completion for designated portions of the CPQ Project that take into account the phased nature of the CPQ Project. With respect to the Whole House Renovation of the Phase VII Project, the term “Substantial Completion” shall mean the stage in the progress of such Whole House Renovation of the Phase VII Project when such Whole House Renovation of the Phase VII Project is complete, with the exception of Punch List items of Work to be completed after Substantial Completion, which do not prevent the Phase VII Project from being used for the purpose for which it is intended and which will not prevent occupancy.

“**Subtitle A**” shall have the meaning set forth in the recitals of this Agreement.

“**Tax and Insurance Fund**” shall have the meaning set forth in the Amended and Restated Indenture.

“**Tax Matters Partner**” shall have the meaning set forth in Section 3.01(a).

“**Term**” shall have the meaning set forth in Section 1.06.

“**Third Amendment**” means that certain Third Amendment to Fourth Amended and Restated Limited Liability Company Operating Agreement of Camp Pendleton & Quantico Housing, LLC dated as of June 8, 2011, between the Managing Member and the United States Member.

“**Transition Date**” shall have the meaning set forth in Section 5.13(c).

“**Trustee**” shall mean (b) (4) as the Trustee under the Amended and Restated Indenture, or any successor Trustee thereunder, or any other financial institution selected by the Managing Member and approved by the United States Member, which approval shall not be unreasonably withheld, conditioned or delayed.

(b) (4)

“**Unit Pay-Grade Designation**” shall have the meaning set forth in Section 5.13(c).

“**United States Member**” shall mean the United States of America, Department of the Navy, and its successors and assigns.

(b) (4)

“**Unrealized Gain**” attributable to any item of Company property means, as of any date of determination, the excess, if any, of (i) the fair market value of such property (as determined under Exhibit B hereof) as of such date, over (ii) the Carrying Value of such property (prior to any adjustment to be made pursuant to Exhibit B hereof) as of such date.

“**Unrealized Loss**” attributable to any item of Company property means, as of any date of determination, the excess, if any, of (i) the Carrying Value of such property (prior to any adjustment to be made pursuant to Exhibit B hereof) as of such date, over (ii) the fair market value of such property (as determined under Exhibit B hereof) as of such date.

“**Utility Expense Fund**” shall have the meaning set forth in Section 5.03(g).

(b) (4)

“**Utility Rebate**” shall have the meaning set forth in Section 5.13(c).

“**VDS Community Center and Related Facilities Project**” shall mean the community center and other improvements being performed pursuant to the Phase VII Design/Build Agreement at the Phase VII Project.

“**Vista Del Sol Assignment of Lease**” shall have the meaning set forth in the First Amendment.

“**Vista Del Sol Lease**” shall have the meaning set forth in the First Amendment.

“**Vista Del Sol Purchase Agreement**” shall mean that certain Purchase Agreement made and entered into as of May 27, 2010, by and between Twentynine Palms, L.L.C., an Arizona limited liability company and Company.

(b) (4)

“**Work**” shall mean, (i) with respect to Phase IA, all labor, materials and services required to be performed or provided by the Phase IA Design/Builders pursuant to the Phase IA Design/Build Agreements, (ii) with respect to Phase IB, all labor, materials and services required to be performed or provided for Phase IB by the Phase IV/IB Design/Builder pursuant to the Phase IV/IB Design/Build Agreement, (iii) with respect to Phase II, all labor, materials and services required to be performed or provided by the Phase II Design/Builder pursuant to the Phase II Design/Build Agreement, (iv) with respect to Phase III, all labor, materials and services required to be performed or provided by the Phase III Design/Builder pursuant to the Phase III Design/Build Agreement, (v) with respect to Phase IV, all labor, materials and services required to be performed or provided for Phase IV by the Phase IV/IB Design/Builder pursuant to the Phase IV/IB Design/Build Agreement, (vi) with respect to Phase V, all labor, materials and services required to be performed or provided by the Phase V Design/Builders pursuant to the Phase V Design/Build Agreements, (vii) with respect to Phase VI and the Phase III O-6 Sites, all labor, materials and services required to be performed or provided by the Phase VI Design/Builder pursuant to the Phase VI Design/Build Agreement, (viii) with respect to the work under the Coleville Utility Upgrade Design/Build Agreement, all labor, materials and services required to be performed or provided by the design/builder pursuant to the Coleville Utility Upgrade Design/Build Agreement, to the extent the Coleville Utility Upgrade Design/Builder has received a notice to proceed for such work, (ix) with respect to the work under the Phase VII Design/Build Agreement, all labor, materials and services required to be performed or provided by the design/builder pursuant to the Phase VII Design/Build Agreement, to the extent the Phase VII Design/Builder has received a notice to proceed for such work, (x) with respect to the work under the AC Reno Design/Build Agreement, all labor, materials and services required to be

performed or provided by the design/builder pursuant to the AC Reno Design/Build Agreement, to the extent the AC Reno Design/Builder has received a notice to proceed for such work, (xi) with respect to the work under the Kansas City Demo Design/Build Agreement, all labor, materials and services required to be performed or provided by the design/builder pursuant to the Kansas City Demo Design/Build Agreement, to the extent the Kansas City Demo Design/Builder has received a notice to proceed for such work, (xii) with respect to the work under the Phase VIII Design/Build Agreement, all labor, materials and services required to be performed or provided by the design/builder pursuant to the Phase VIII Design/Build Agreement, to the extent the Phase VIII Design/Builder has received a notice to proceed for such work, and (xiii) with respect to any other Phase, all labor, materials and services required to be performed or provided by the design/builder pursuant to the applicable Design/Build Agreement for such Phase.

“Yuma Project” shall mean the properties owned or leased by the Company in the Yuma County, Arizona region and part of Phase II of the CPQ Project, as more particularly described in Exhibit A-4.

“Yuma Release Property (2008)” shall have the meaning set forth in that certain Second Amendment to Third Amended and Restated Real Estate Ground Lease dated as of September 5, 2008.

IN WITNESS WHEREOF, this Fifth Amended and Restated Limited Liability Company Operating Agreement has been executed under seal by the undersigned as of the date first set forth above.

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[Signatures Appear on Following Pages]

(b) (4)

[Signatures Continue on Following Page]

UNITED STATES MEMBER:

THE UNITED STATES OF AMERICA

By:



Scott D. Forrest
Assistant Commander for Asset
Management, Naval Facilities Engineering
Command